

AVOYELLES PARISH CLERK OF COURT

FINANCIAL STATEMENTS

JUNE 30, 2017

DUCOTE & COMPANY
Certified Public Accountants
219 North Main Street
P. O. Box 309
Marksville, LA 71351

**AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana**

**Annual Financial Statements
As of and for the Year Ended June 30, 2017
With Supplemental Information Schedules**

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**AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana**

**Annual Financial Statements
As of and for the Year Ended June 30, 2017
With Supplemental Information Schedules**

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INDEPENDENT AUDITORS' REPORT

The Honorable Connie C. Couvillon
Avoyelles Parish Clerk of Court
Marksville, Louisiana

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the aggregate remaining fund information of the Avoyelles 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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison and the Schedules of Employer's Share of Net Pension Liability and Employer's Pension Contributions on pages 4 through 6 and 40 through 43 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2017, on our consideration of the Clerk of Court's internal control over financial reporting and on our tests of its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Avoyelles Parish Clerk of Court's internal control over financial reporting.

This report is intended for the information of the Avoyelles Parish Clerk of Court and the Legislative Auditor of the State of Louisiana and is not intended to be, and should not be, used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

DUCOTE & COMPANY

Marksville, Louisiana
December 14, 2017

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

AVOYELLES PARISH CLERK OF COURT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2017

Our discussion and analysis of the Avoyelles Parish Clerk of Court's financial performance provides an overview of the financial activities as of and 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 annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (Government-wide Financial Statements) provides information about the activities as a whole and present a longer-term view of the Clerk of Court's finances. Fund financial statements start on page 10. For governmental activities, these 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 statements by providing information about the most significant funds.

Our auditors have provided assurance in their independent auditor's report that the basic financial statements are fairly stated. The auditor, regarding the Required Supplemental Information Schedules 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 Annual Report.

Government-Wide Financial Statements

One of the most important questions asked about finances is, "Is the Avoyelles Parish Clerk of Court as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information on the Clerk of Court as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the net assets and changes in them. You can think of net assets – the difference between assets and liabilities – as one way to measure the financial health, or financial position.

Over time, increases or decreases in net assets are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, to assess the overall health of the Avoyelles Parish Clerk of Court.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the Clerk of Court as a whole. Some funds are required to be established by State laws.

The Clerk of Court uses only the governmental type of fund with the following accounting approach. Most of the basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Clerk of Court's programs. We describe the relationship

(or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliations immediately following the fund financial statements.

FINANCIAL HIGHLIGHTS

Our financial statements provide these insights into the results of this year's operations:

- As a result of this year's operations, liabilities exceeded assets by \$422,175 (net position) for the fiscal year reported.
- Total net position is comprised of the following:
 - (1) Invested in capital assets of \$227,252, including cost of office equipment, furniture and fixtures, and automobiles, net of accumulated depreciation.
 - (2) Unrestricted net positions of \$(649,427) representing the portion available to maintain the continuing obligation to citizens and creditors.
- The governmental funds reported total ending fund balance of \$754,232, which was classified as unassigned. This compares to the prior year ending fund balance of \$586,373 showing an increase of \$167,859.
- Total spending for all judicial activities was \$1,427,166, which was \$167,859 less than program revenues for these activities of \$1,595,025.

The Statement of Net Position and the Statement of Activities reports only one type of activity -- governmental activities. All of the basic judicial services are reported as this type. Fines and fees charged to the public finance most of these activities.

FINANCIAL ANALYSIS OF THE AVOYELLES PARISH CLERK OF COURT AS A WHOLE

Net assets may serve over time as a useful indicator of a government's financial position. The Avoyelles Parish Clerk of Court's net assets reflect its investment in capital assets (e.g. equipment). These assets are not available for future spending. The balance in unrestricted net assets is affected by required depreciation on assets being included in the statement of net assets, as well as the OPEB liability and the pension liability of the Avoyelles Parish Clerk of Court.

FINANCIAL ANALYSIS OF THE CLERK OF COURT'S FUNDS

As we noted earlier, the Clerk of Court uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the Clerk of Court is being accountable for the resources provided to it but may also give you more insight into the overall financial health.

As the Clerk of Court completed the year, its governmental fund reported a fund balance of \$754,232. This reflects an increase of \$167,859 from last year. The increase is primarily the result of an overall increase in revenues and a decrease in expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the General Fund was amended to correct the posting of debt service payments originally recorded as travel expense.

CAPITAL ASSETS

Capital assets, net of accumulated depreciation, for governmental activities as of June 30, 2017 was \$227,252.

This year there were \$99,340 in asset additions and \$31,756 in asset deletions. More detailed information about the capital assets is presented in Note 5 to the financial statements.

CONTACTING FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Avoyelles Parish Clerk of Court's finances and to show the Clerk of Court's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Connie Couvillon, Avoyelles Parish Clerk of Court, P.O. Box 219, Marksville, LA 71351 at phone number 318-253-7523.

December 14, 2017

BASIC FINANCIAL STATEMENTS

**AVOYELLES PARISH CLERK OF COURT
MARKSVILLE , LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2017**

CURRENT ASSETS	
Cash and cash equivalents	\$418,570
Investments	320,924
Receivables - fees, charges, and commissions	33,591
Accrued interest receivable	1,475
Prepaid expenses	<u>1,251</u>
TOTAL CURRENT ASSETS	775,809
NON-CURRENT ASSETS	
Capital assets (net of accumulated depreciation)	<u>227,252</u>
TOTAL NON-CURRENT ASSETS	<u>227,252</u>
TOTAL ASSETS	<u>1,003,061</u>
Deferred Outflow of Resources Pension Fund Related	426,578
CURRENT LIABILITIES	
Accounts payable	7,151
Payroll deductions payable	14,426
Lease payable	<u>10,399</u>
TOTAL CURRENT LIABILITIES	31,976
NON-CURRENT LIABILITIES	
Long-term lease payable	26,605
OPEB obligation	540,511
Net pension liability	<u>1,231,500</u>
TOTAL NON-CURRENT LIABILITIES	<u>1,798,616</u>
TOTAL LIABILITIES	<u>1,830,592</u>
Deferred Inflow of Resources Pension Fund Related	58,226
NET POSITION	
Investment in capital assets	190,248
Unrestricted	<u>(649,427)</u>
TOTAL NET POSITION	<u>\$(459,179)</u>

The accompanying notes are an integral part of this financial statement.

**AVOYELLES PARISH CLERK OF COURT
MARKSVILLE, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

General government

Personal service and related benefit	\$890,626
Operating services	437,693
Materials and supplies	100,152
Travel and other charges	16,712
Depreciation expense	<u>45,752</u>

Total Program expenses	<u>1,490,935</u>
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Program Revenues

Licenses and permits	5,338
Fees, charges, and commissions for services:	
Court costs, fees, and charges	761,719
Fees for recording legal documents	559,225
Fees for certified copies of documents	191,091
Subscribed services	50,886
Election fees	6,809
Miscellaneous	<u>13,209</u>

Total program revenues	<u>1,588,277</u>
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Net program expenses	97,343
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General revenues:

Interest earnings	<u>8,057</u>
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Changes in net position	105,399
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Net position - beginning of year	<u>(564,578)</u>
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Net position - end of year	<u><u>\$(459,179)</u></u>
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The accompanying notes are an integral part of this financial statement.

**AVOYELLES PARISH CLERK OF COURT
MARKSVILLE , LOUISIANA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2017**

General Fund

ASSETS

Cash and cash equivalents	\$418,570
Investments	320,924
Receivables - fees, charges, and commissions	33,591
Accrued interest receivable	1,475
Prepaid expenses	<u>1,251</u>

TOTAL ASSETS \$775,809

LIABILITIES AND FUND BALANCE**LIABILITIES**

Accounts payable	\$7,151
Payroll deductions payable	<u>14,426</u>

TOTAL LIABILITIES 21,577

FUND BALANCE

Fund Balance	
Unassigned	<u>754,232</u>

TOTAL FUND BALANCE 754,232

TOTAL LIABILITIES AND FUND BALANCE \$775,809

The accompanying notes are an integral part of this financial statement.

**AVOYELLES PARISH CLERK OF COURT
MARKSVILLE, LOUISIANA
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2017**

Amounts reported for governmental activities in the Statement of Net Position are different because:

Fund Balance, Total Governmental Funds (Statement C)			\$754,232
Capital assets used in Governmental Activities are not financial resources and, therefore, are not reported in the governmental funds.			227,252
Deferred inflows and outflows of resources are not recognized in the fund balance of Governmental Fund Statement.			
	Pension Related Inflows	(58,226)	
	Pension Related Outflows	<u>426,578</u>	
			368,352
Long-term liabilities including leases payable are not due and payable in the current period and, therefore, are not reported in the governmental funds.			
	Lease payable	(37,004)	
	Net Pension Liability	(1,231,500)	
	OPEB Obligation	<u>(540,511)</u>	
			<u>(1,809,015)</u>
Net position of Governmental Activities (Statement A)			<u><u>\$(459,179)</u></u>

The accompanying notes are an integral part of this financial statement.

**AVOUELLES PARISH CLERK OF COURT
MARKSVILLE, LOUISIANA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>General Fund</u>
REVENUES	
Licenses and permits	\$5,338
Fees, charges, and commissions for services:	
Court costs, fees, and charges	761,719
Fees for recording legal documents	559,225
Fees for certified copies of documents	191,091
Subscribed services	50,886
Election fees	6,809
Miscellaneous	11,900
Use of money and property:	
Interest earnings	<u>8,057</u>
Total revenues	<u>1,595,025</u>
EXPENDITURES	
General government	
Personal service and related benefit	810,274
Operating Services	436,399
Materials and supplies	100,152
Travel and other charges	16,712
Capital outlay	55,513
Debt service	<u>8,116</u>
Total Expenditures	<u>1,427,166</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	167,859
OTHER FINANCING SOURCES (USES)	
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	<u>167,859</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>586,373</u>
FUND BALANCES AT END OF YEAR	<u><u>\$754,232</u></u>

The accompanying notes are an integral part of this financial statement.

AVOYELLES PARISH CLERK OF COURT
MARKSVILLE, LOUISIANA
RECONCILIATION OF GOVERNMENTAL FUNDS
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES
IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - total governmental funds (Statement E)		\$167,859
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	52,428	52,428
Governmental funds report pension outlays as expenditures. However, in the Statement of Activities, the cost is based on various assumptions made by the pension fund's actuary. Governmental funds do not recognize employee contributions to the pension fund as revenue.		
Difference in pension expenditures and pension expense	80,652	
Pension related revenue	<u>(115,444)</u>	(34,792)
The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long term debt and related items.		(30,182)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures of governmental funds.		
Payroll related benefits (OPEB)		<u>(49,914)</u>
Changes in net position of governmental activities (Statement B)		<u>\$ 105,399</u>

The accompanying notes are an integral part of this financial statement.

AVOYELLES PARISH CLERK OF COURT
MARKSVILLE, LOUISIANA
STATEMENT OF FIDUCIARY NET POSITION - AGENCY FUNDS
JUNE 30, 2017

	Advance Deposit Fund	Registry of Court Fund	Total
ASSETS			
Cash and cash equivalents	\$502,583	\$1,611,028	\$2,113,611
Investments	1,095,000	0	1,095,000
NSF Receivable	4,353	0	4,353
TOTAL ASSETS	<u>\$1,601,935</u>	<u>\$1,611,028</u>	<u>\$3,212,964</u>
LIABILITIES			
Unclaimed property	\$8,485	\$0	\$8,485
Unsettled deposits	1,593,450	1,611,028	3,204,478
TOTAL LIABILITIES	<u>\$1,601,935</u>	<u>\$1,611,028</u>	<u>\$3,212,964</u>

The accompanying notes are an integral part of this financial statement.

NOTES TO FINANCIAL STATEMENTS

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements
As of and for the Year Ended June 30, 2016

INTRODUCTION

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 has other duties and powers provided by law. The clerk of court is elected for a four-year term.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Avoyelles Parish Clerk of Court have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

In June of 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements – Management’s Discussion and Analysis – for State and Local Governments. Certain of the significant changes in the Statement include the following:

For the first time the financial statements include:

A Management Discussion and Analysis (MD&A) section providing an analysis of the Clerk’s overall financial position and results of operations.

Financial statements prepared using the full accrual accounting for all of the Clerk’s activities.

These and other changes are reflected in the accompanying financial statements (including notes to the financial statements).

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Avoyelles Parish Police Jury is the financial reporting entity for Avoyelles Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the 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 Statement No. 14 established criteria for determining which component units should be considered part of the Avoyelles Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

B. REPORTING ENTITY, (Continued)

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.
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.

The Avoyelles Parish Police Jury, the financial reporting entity, has determined that the Avoyelles Parish Clerk of Court is not a component unit of the Avoyelles Parish Police Jury. The accompanying financial statements, therefore, 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 that financial reporting entity.

C. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS

The clerk of court's basic financial statements include both government-wide (reporting the clerk or 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 Assets (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 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 Assets, governmental activities are presented on a consolidated basis and are presented on a full accrual, economic resource basis, which recognized all long-term assets and receivable as well as long-term obligations. Net assets are reported in three parts; invested in capital assets, net of any related debt; restricted net assets; and unrestricted net assets.

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

C. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS (continued)

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gain, 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, gain, 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*.

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.

D. 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 requires the use of only governmental and fiduciary funds. The governmental and fiduciary fund types used by the clerk are described as follows:

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

D. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS, (continued)

Governmental Funds

Governmental funds account for all or most of the clerk's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the Clerk of Court.

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

Fiduciary Funds

The Advance Deposit, and Registry of Court 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.

E. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues and 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.

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.

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 reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

E. BASIS OF ACCOUNTING (Continued)

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. Expenditures are recorded when the related fund liability is incurred. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Intergovernmental revenue, recording, 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.

Expenditures

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

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the Governmental Accounting Standards Board required a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increase in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from delayed recognition of expenditures or revenues, respectively.

F. BUDGET PRACTICES

The proposed budget for the 2017 fiscal year was made available for public inspection at the clerk's office on June 12, 2016. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal 11 days prior to the public hearing. The budget hearing was held at the clerk's office on June 27, 2016. The budget is legally adopted and amended, as necessary, by the clerk. All appropriations lapse at year-end.

Formal budget integration (within the accounting records) is not employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

G. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits, interest bearing demand deposits and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. 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 or any other state of the United States, or under the laws of the United States.

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the clerk's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. All investments are held in certificates of deposits and are stated at cost.

H. 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 \$250 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, 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 – 10 years
Equipment	5 – 10 years

I. COMPENSATED ABSENCES

The clerk of court has the following policy relating to vacation and sick leave: Employees of the clerk's office earn two weeks of vacation leave each year. Vacation leave must be used in the year earned. Employees are allowed seven days of sick leave each year. Sick leave is noncumulative.

There are no accumulated or vested vacation and sick leave benefits which require accrual to conform with generally accepted accounting principles.

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

J. EQUITY CLASSIFICATIONS

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

Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net positions – All other net position that does not meet the definition of “restricted” or “invested in capital assets, net of related debt.” In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Proprietary fund equity is classified the same as in the government-wide statements.

Fund balances are classified as follows in the governmental fund financial statements. Proprietary fund equity is classified the same as in the government-wide financial statements.

Non-spendable – Fund balance that is not in spendable form or is legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories or prepaid items.

Restricted - Fund balance that can be spent only for the specific purposes stipulated by external resource providers, or through enabling legislation.

Committed – Fund balance that can only be used for specific purposes determined by the Clerk. Committed amounts cannot be used for any other purpose unless the Clerk removes or changes the specified use by taking the same type of action it employed to previously commit the funds. Committed fund balance is the result of a policy of the Clerk.

Assigned – Fund balance that is constrained by the Clerk’s intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the Clerk.

Unassigned – Fund balance that is the residual classification for general fund.

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

J. EQUITY CLASSIFICATIONS, (continued)

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

K. EXPENDITURES OF THE CLERK OF COURT PAID BY THE PARISH POLICE JURY

Louisiana R.S. 13:784 provides that upon request of the Clerk, the police jury shall provide all necessary office furniture, equipment, and record and books. During the current year, the Clerk has not requested that the police jury purchase any office furniture, equipment, and records or books for her office. The Police Jury does however provide office space located in the Parish Courthouse and pays for utilities for the Clerk's office. The amount of the utilities paid by the Police Jury is indeterminable.

L. EXCESS FUND BALANCE

R.S. 13:785 requires that every four years (at the close of the term of office) the Clerk of Court must pay the parish treasurer the portion of the General Fund's fund balance that exceeds one-half of the revenues of the clerk's last year of her term of office. At June 30, 2017, there was no amount due the parish treasurer as this was not the last year of the clerk's four-year term of office, and no determination of the amount that will be due, if any, can be made at this time.

M. USE OF ESTIMATES

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

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

2. CASH AND CASH EQUIVALENTS

At June 30, 2017, the clerk of court has cash and cash equivalents (book balances) totaling \$2,532,180 as follows:

Petty cash	\$ 50
Cash on hand	9,885
Demand deposits	911,217
Interest bearing demand deposits	<u>1,611,028</u>
 Total	 <u><u>\$ 2,532,180</u></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 pledge securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2017, the clerk has \$2,777,323 in deposits (collected bank balances including cash and investments). These deposits are secured from risk by \$890,000. Of the remaining balance of \$1,887,323 was covered by the pledging of securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, 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.

3. INVESTMENTS

At June 30, 2017, the clerk of court holds investments totaling \$1,415,924 as follows:

	<u>Carrying Amount</u>	<u>Market Value</u>
Certificates of Deposits	<u>\$1,415,924</u>	<u>\$1,415,924</u>
Total	<u><u>\$1,415,924</u></u>	<u><u>\$1,415,924</u></u>

These investments are stated on the balance sheet at cost. The investments are in the name of the clerk and are held at the clerk's office. Because the certificates are in the name of the clerk and are held by the clerk or the clerk's agent, the certificates are considered insured and registered, Category 3, in applying the credit risk of GASB Codification Section 150.164. These deposits were all adequately insured by pledging of securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

4. RECEIVABLES

Receivables in the general fund totaled \$33,591 at June 30, 2017 detailed as follows:

Accounts Receivable	
Current	\$ 32,369
Over 30 days	613
Over 60 days	50
Other	<u>559</u>
Total Receivables	<u>\$ 33,591</u>

5. CAPITAL ASSETS

Capital assets and depreciation activity for the year ended June 30, 2017 is as follows:

Governmental Activities

Balance June 30, 2016	\$ 982,227
Fiscal Year 2016-17:	
Additions	99,340
Deletions	<u>(31,756)</u>
Balance June 30, 2017	1,049,811
Less accumulated depreciation	<u>(822,559)</u>
Net Capital Assets	<u>\$ 227,252</u>

6. LEASES

The Clerk of Court has various immaterial operating leases for copy machines. One November 28, 2016, the Clerk entered into the following capital lease:

2017 Buick Enclave – Lease period 48 months, 5.499% interest
Monthly payment \$1,014.59, purchase option \$1 at the end of the lease

The minimum annual commitments under the operating lease are as follows:

<u>Fiscal Year</u>	<u>Vehicle Lease</u>
2017-2018	12,175
2018-2019	12,175
2019-2020	12,175
2020-2021	<u>4,058</u>
	\$40,583
Less: amount representing interest	<u>(3,579)</u>
Present Value of future lease payments	<u>\$37,004</u>

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

7. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund unsettled deposits follows:

	Unsettled Deposits at Beginning of Year	Additions	Reductions	Unsettled Deposits at End of Year
Agency funds:				
Advance Deposit	\$ 1,447,894	\$ 1,409,360	\$ 1,263,805	\$ 1,593,450
Registry of Court	1,501,603	1,348,067	1,238,641	1,611,028
Total	\$ 2,949,497	\$ 2,757,427	\$ 2,502,446	\$ 3,204,478

8. PENSION PLAN

For Purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the Louisiana Clerks' of Court Retirements and Relief Fund, and additions to/deductions from the system's fiduciary net position have been determined on the same basis as they are reported by the systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

All regular employees who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their Final-average salary is the employee's average salary not to exceed 100 percent of their final average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established and amended by state statute.

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

8. PENSION PLAN, (Continued)

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

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B1, Baton Rouge, Louisiana 70816, or by calling (504) 293-1162.

Retirement 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 $3\frac{1}{3}$ percent of the member's average final compensation multiplied by the number of years of credited service, not to exceed one hundred percent of the monthly average final compensation. Monthly average final compensation is based on the highest compensated thirty-six consecutive months, with a limit of increase of 10% in each of the last three years of measurement. For those members hired on or 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. The Act has a transition period for those members who retire on or after January 1, 2011, and before December 31, 2012. Additionally Act 273 of the 2010 regular session increased a member's retirement to age 60 with an accrual rate of 3% for all members hired on or after January 1, 2011.

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

Disability Benefits. Effective through June 30, 2008, a member who has been officially certified as totally and permanently disabled by the State Medical Disability Board shall be paid disability retirement benefits determined and computed as follows:

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

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

8. PENSION PLAN, (Continued)

- b. A member who has ten or more years of credited service and who is totally and permanently disabled due to any cause not the result of injuries sustained in the performance of his official duties shall be paid monthly benefits equal to three percent of his monthly average final compensation multiplied by the number of his years of credited service; however, such monthly benefit shall not exceed thirty-five dollars for each year of his credited service or eighty percent of his monthly average final compensation, whichever is less.

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

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

- a. The member's disability was caused solely as a result of injuries sustained in the performance of their disabilities.
- b. The member has at least ten years of service credit.

A member who has been credited as totally and permanently disabled will be paid monthly disability retirement benefits equal to the greater of:

- a. Forty percent of their monthly average final compensation.
- b. Seventy-five percent of their monthly regular retirement benefit computed pursuant to R.S. 11:1521(c).

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

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

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

8. PENSION PLAN, (Continued)

Deferred Retirement Option Plan. In lieu of terminating employment and accepting a service allowance, any member of the Fund who is eligible for a service retirement allowance may elect to participate in the Deferred Retirement Option Plan (DROP) for up to thirty-six months and defer the receipt of benefits. During the year ended June 30, 2017 participants had to have been an active contributing member for one full year before becoming eligible for DROP. Upon the commencement of participation in the plan, active membership in the Fund terminates and the participants' contributions cease; however, employer contributions continue. Compensation and creditable service remain as they existed on the effective date of commencement of participation in the plan.

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

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

Cost of Living Adjustments. The Board of Trustees is authorized to provide a cost of living increase to members who have been retired for at least one full calendar year. The increase cannot exceed the lesser of 2.5% of the retiree's benefit or an increase of forty dollars per month. The Louisiana statutes allow the Board to grant an additional cost of living increase to all retirees and beneficiaries over age 65 equal to 2% of the benefit paid on October 1, 1977 or the member's retirement date if later.

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

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

Contributions. According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2016, the actual employer contribution rate was 19%. For the year ended June 30, 2017, the actuarially determined employer contribution rate was 16.59%. The actual rate differs from the actuarially required rate due to state statutes that require the contribution rate be calculated and set two years prior to the effective year.

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

8. PENSION PLAN, (Continued)

In accordance with state statute, the Fund receives ad valorem taxes and state revenue sharing funds. There are additional sources of income that are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Schedule of Employer Allocations. The Schedule of employer allocations reports the required projected employer contributions in addition to the employer allocation percentage. The required employer contributions are used to determine the proportionate relationship of each employer to all employers of Louisiana Clerks' of Court Retirement and Relief Fund. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on the employer's projected contribution effort to the plan for the next fiscal year as compared to the total of all employers' projected contribution effort was actuarially determined by the Fund's actuary, G.S. Curran & Company, LTD.

The employers' projected contribution effort was calculated by multiplying the projected future compensation of active members in the Fund on June 30, 2016, by the next fiscal year's employers' actuarially required contribution rate. Projected future compensation was calculated by multiplying compensation by a payroll factor of 1.05. Compensation was determined as follows:

- a. Actual earned compensation for active members enrolled in the Fund the entire fiscal year, plus;
- b. Annualized compensation for active members on June 30, 2016, enrolled in the Fund for a portion of the fiscal year. Annualized compensation was calculated using actual compensation and the employee's date of hire.

The payroll factor was actuarially determined using salary assumptions for expected net changes in active members plus expected new hires and their payroll over the next fiscal year.

The next fiscal year's employers' actuarially required contribution rate is 17.27%.

Schedule of Pension Amounts by Employer. The schedule of pension amounts by employer displays each employer's allocation of the net pension liability. The schedule of pension amounts by employer was prepared using the allocations included in the schedule of employer allocations.

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

8. PENSION PLAN, (Continued)

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

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

Valuation Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal
Projected Salary Increases	5.00%
Investment rate of return	7.00%, net of investment expense, including inflation
Mortality rates	RP-2000 Employee Table (set back 4 years for males and 3 years for females) PR-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	2016 - 5 years, 2015 - 5 years, 2014 - 5 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the system 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 substantially automatic.

The mortality rate assumption used was based on the assumptions used in the 2016 actuarial funding valuation which (with 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 discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

8. PENSION PLAN, (Continued)

Sensitivity to Changes in Discount Rate. The following presents the net position liability of the participating employers' calculated using the discount rate of 7.00%, as well as what the employer's net position liability would be if it were calculated using a discount rate that is one percentage lower 6.00% or one percentage point higher 8.00% than the current rate as of June 30, 2016.

	1% Decrease 6.00%	Current Discount Rate- 7.00%	1% Increase 8.00%
Net Position Liability	\$1,752,402	\$1,231,500	\$789,359

Changes in Net Position Liability. The changes in the net position liability for the year ended June 30, 2016 were recognized in the current reporting period as pension expense except as follows:

Differences between Expected and Actual Experience- Differences between expected and actual with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual experience resulted in \$2,359,911 in deferred outflows of resources in the year ended June 30, 2016. Pension benefit and remaining deferred outflows for the year ended June 30, 2016, was \$471,982 and \$1,887,929, respectively.

Differences between Projected and Actual Investment Earning- Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The difference between projected and actual investment earnings resulted in a deferred outflow of resources in the amount of \$41,858,104 for the year ended June 30, 2016. Pension expense and remaining deferred outflows for the year ended June 30, 2016, was \$8,371,621 and \$33,486,483, respectively.

Changes of Assumptions or Other Inputs- Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. Changes of assumptions or other inputs resulted in no deferred outflows, deferred inflows or pension expense (liability) for the year ended June 30, 2016.

Change in Proportion- Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan.

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

8. PENSION PLAN, (Continued)

Contributions-Proportionate Share. Differences between contributions remitted to the system and the employer's proportionate share are recognized in pension expense (benefit) using the straight line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the schedule of employer amounts due to differences that could arise between contributions reported by the Fund and contributions reported by the participating employer.

Retirement Fund Audit Report. The Louisiana Clerks' of Court Retirement and Relief Fund of Louisiana has issued a stand-alone report on their financial statements for the year ended June 30, 2016. Access to the report can be found on the Louisiana Legislative Auditor's website, www.lla.la.gov.

Estimates. The process of preparing the schedule of employer allocations and schedule of pension amounts in conformity with accounting principles generally accepted in the United States of American requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Accordingly, actual results may differ from estimated amounts.

Funding Policy. Plan members are required by state statute to contribute 8.25 percent of their annual covered salary and the Avoyelles Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 10 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (one-half of one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Avoyelles Parish Clerk of Court are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Avoyelles Parish Clerk of Court's contributions to the System for the years ending June 30, 2017, 2016, and 2015 were \$154,638, \$160,034 and \$164,910, respectively, equal to the required contributions for each year.

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 \$1,231,500 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Clerk's proportion of the net pension liability was based on a projection of the Clerk's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the Clerk's proportion was .665685%, which was a decrease of .0013854% from its proportion measured as of June 30, 2016. For the year ended June 30, 2017, the clerk recognized pension expense of \$107,821 less employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$2,052. At June 30, 2017, the Clerk reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

8. PENSION PLAN, (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 12,568	\$ 41,917
Changes of Assumptions	75,845	-
Change in proportion and differences between the employer's contribution and the employer's proportionate share of contributions	17,870	16,309.00
Net differences between projected and actual earnings on plan investments	212,474	-
Contributions subsequent to the measurement date	-	-
	107,821	-
Total	<u>\$ 426,578</u>	<u>\$ 58,226</u>

Deferred outflows of resources of \$107,821 relates to pensions resulting from the Clerk's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>June 30</u>	
2017	\$ 56,452
2018	56,452
2019	92,836
2019	54,791
	<u>\$ 260,531</u>

9. DEFERRED COMPENSATION PLAN

Beginning in July 2000 the Clerk elected to participate in the Louisiana Public Employees Deferred Compensation Plan State of Louisiana, a component unit of the State of Louisiana. The plan offers its participants (eligible public employees) a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributed to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the State (without being restricted to the provisions of benefits under the plan), subject only to the claims of the State's general creditors. Participant's rights under the plan are equal to those of general creditors of the State in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the State's legal counsel that the State has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The State believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

The Avoyelles Parish Clerk of Court provides certain continuing health care and life insurance benefits for retired employees. Substantially all of the clerk's employees become eligible for these benefits if they reach normal retirement age while working for the clerk of court. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and the clerk of court. The clerk of court recognizes the cost of providing these benefits (the clerk's portion of premiums) as an expenditure when the monthly premiums are due.

Plan Description. The Clerk's defined benefit postemployment health care plan ("the Retiree Health Plan") provides medical, dental, vision and life insurance benefits to eligible retired employees and their beneficiaries. The Retiree Health Plan is affiliated with the Louisiana Clerk of Court Insurance Trust ("LCCIT"), an agent multiple-employer postemployment healthcare plan administered by the Louisiana Clerk 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. The Clerk pays for the entire premium charged by the LLCA for retirees. Retirees are required to pay 50% of the premium for their dependents. Vision is voluntary and paid 100% by the retiree. For fiscal year 2017, the Clerk contributed \$98,130 to the plan and the retirees/surviving spouse contributed \$12,977.

Annual OPEB Cost and Net OPEB Obligation. For 2016, the Clerk'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 cost for the year, the amount actually contributed to the plan, and changes in the Clerk's net OPEB obligation to the Retiree Health Plan:

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS, (Continued)

Annual Required Contribution	\$156,645
Interest on Net OPEB Obligation	17,171
Adjustments to Annual Required Contribution	<u>(25,772)</u>
Annual OPEB Cost (Expense)	148,044
Contributions Made	<u>(98,130)</u>
Increase in Net OPEB Obligation	49,914
Net OPEB Obligation - beginning of year	<u>490,597</u>
Net OPEB Obligation - end of year	<u><u>\$540,511</u></u>

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

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2015	\$ 201,420	57.4%	\$ 436,027
6/30/2016	\$ 149,000	63.4%	\$ 490,598
6/30/2017	\$ 148,044	66.3%	\$ 540,511

Funded Status and Funding Process. As of June 30, 2016, the actuarial accrued liability for benefits was \$1,773,799 all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$567,480, and the ratio of the unfunded actuarial liability to the covered payroll was 312.58%.

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

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS, (Continued)

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

In the June 30, 2015 actuarial valuation (the most recent actuarial valuation available), 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 8.0% initially, reduced by decrements to an ultimate rate of 5.0% after 13 years. Medicare Supplement trend starts at 4.0% and decreases to 3.0% after 8 years. Dental trend decreases from 4.0% to 3.0% over 5 years and vision trend is 3.0% in all years. The Clerk's unfunded actuarial liability is being amortized on a level dollar open basis over 30 years.

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAL)- Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage Of Covered Payroll ((b-a)/c)
6/30/2009	\$0	\$1,769,236	\$1,769,236	0.0%	\$579,132	305.5%
6/30/2012	\$0	\$2,612,970	\$2,612,970	0.0%	\$745,475	350.5%
6/30/2015	\$0	\$1,773,799	\$1,773,799	0.0%	\$607,600	291.9%

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana
Notes to Financial Statements, (Continued)

11. COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD

The schedule of compensation, benefits, and other payments to Connie B. Couvillion, Clerk of Court, for the year ended June 30, 2017 follows:

Salary	\$ 146,249
Benefits - Insurance	19,889
Benefits - Retirement	10,793
Benefits - Deferred Comp	11,500
Clerk's Election Compensation	2,400
Vehicle	8,367
Registration Fees	1,250
Dues	250
Conference Travel	8,160
Total	<u>\$ 208,857</u>

12. LITIGATION

At June 30, 2017, the Avoyelles Parish Clerk of Court was not involved in any litigation other than one claim for employment discrimination and legal counsel is not aware of any unasserted claims that would not be fully covered by insurance.

13. SUBSEQUENT EVENTS

Subsequent events were evaluated through December 14, 2017, which is the date the financial statements were available to be issued.

14. EXPENDITURES OF THE CLERK OF COURT PAID BY THE POLICE JURY

The Avoyelles Parish Clerk of Court's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715, is paid by the Avoyelles Parish Police Jury.

REQUIRED SUPPLEMENTARY INFORMATION

PART II

**AVOYELLES PARISH CLERK OF COURT
MARKSVILLE, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017**

	Original Budget	Final Budget	Actual (Budgetary Basis)	Variance- favorable (unfavorable)
REVENUES				
Licenses and permits	\$7,500	\$5,500	\$5,338	\$(162)
Fees, charges, and commissions for services:				
Court costs, fees, and charges	653,000	760,000	761,719	1,719
Fees for recording legal documents	605,000	425,000	559,225	134,225
Fees for certified copies of documents	115,000	175,000	191,091	16,091
Subscribed Services	30,000	45,000	50,886	5,886
Election fees	0	0	6,809	(6,809)
Miscellaneous	10,000	25,000	11,900	(13,100)
Use of money and property:				
Interest earnings	7,200	7,200	8,057	857
Total revenues	<u>1,427,700</u>	<u>1,442,700</u>	<u>1,595,025</u>	<u>152,325</u>
EXPENDITURES				
General government				
Personal service and related benefit	880,000	820,000	810,274	9,726
Operating Services	381,500	400,000	436,399	(36,399)
Materials and supplies	127,000	127,000	100,152	26,848
Travel and other charges	20,000	20,000	16,712	3,288
Capital outlay	10,000	25,000	55,513	(30,513)
Debt service	0	10,500	8,116	(2,384)
Total Expenditures	<u>1,418,500</u>	<u>1,402,500</u>	<u>1,427,166</u>	<u>(24,666)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	9,200	40,200	167,859	127,659
OTHER FINANCING SOURCES (USES)				
Appropriations to other governmental units	<u>(5,000)</u>	<u>(4,000)</u>	<u>0</u>	<u>4,000</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	4,200	36,200	167,859	131,659
FUND BALANCES AT BEGINNING OF YEAR	<u>586,373</u>	<u>586,373</u>	<u>586,373</u>	<u>0</u>
FUND BALANCES AT END OF YEAR	<u><u>\$590,573</u></u>	<u><u>\$622,573</u></u>	<u><u>\$754,232</u></u>	<u><u>\$131,659</u></u>

**AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana**

**Notes 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 Avoyelles Parish Clerk of Court'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 re-appropriated for the following year to be expended.

Formal budgetary integration within the accounting records is not 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.

Schedule 2

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana

Louisiana Clerks' of Court Retirement and Relief Fund
 Schedule of Employer's Share of Net Pension Liability
 For the Year Ended June 30, 2017*

Actuarial Valuation Date June 30th	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
2014	.661669%	\$892,500	\$753,020	118.5%	79.37%
2015	.679539%	\$1,019,330	\$607,600	167.76%	78.13%
2016	.665685%	\$1,231,500	\$567,480	217.02%	74.17%

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

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

Schedule 3

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana

Louisiana Clerks' of Court Retirement and Relief Fund
 Schedule of Employer Pension Contributions
 For the Year Ended June 30, 2017*

Actuarial Valuation Date June 30th	Contractually Required Contribution	Contributions in Relation to Contractual Required Contributions	Contributions Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions As a % of Covered Employee Payroll
2014	\$164,910	\$164,910	-	\$753,020	21.89%
2015	\$115,444	\$115,444	-	\$607,600	19.00%
2016	\$107,821	\$107,821	-	\$567,480	19.00%

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

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

OTHER SUPPLEMENTARY INFORMATION
PART III

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 judgment had been rendered in court litigation. Withdrawals of the funds can be made only upon order of the court.

**AVOYELLES PARISH CLERK OF COURT
MARKSVILLE, LOUISIANA
FIDUCIARY FUNDS - AGENCY FUND
COMBINING SCHEDULE OF CHANGES IN UNSETTLED DEPOSITS
FOR THE YEAR ENDED JUNE 30, 2017**

	Advance Deposit Fund	Registry of Court Fund	Total
UNSETTLED DEPOSITS AT BEGINNING OF YEAR	\$1,447,894	\$1,501,603	\$2,949,497
Additions:			
Deposits			
Suits and Successions	1,409,360	0	1,409,360
Judgements	0	1,345,610	1,345,610
Interest earnings on investments	0	2,457	2,457
Total Additions	<u>1,409,360</u>	<u>1,348,067</u>	<u>2,757,427</u>
Reductions:			
Clerk's costs (transferred to General Fund)	692,544	0	692,544
Refunds/settlements	316,965	1,235,184	1,552,148
Attorney, curator, and notary	15,883	0	15,883
Judge's fees	41,395	0	41,395
Sheriff's fees	159,931	0	159,931
Other reductions	<u>37,087</u>	<u>3,457</u>	<u>40,544</u>
Total Reductions	<u>1,263,805</u>	<u>1,238,641</u>	<u>2,502,446</u>
UNSETTLED DEPOSITS AT END OF YEAR	<u><u>\$1,593,450</u></u>	<u><u>\$1,611,028</u></u>	<u><u>\$3,204,478</u></u>

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

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

The Honorable Connie C. Couvillion
Avoyelles Parish Clerk of Court
Marksville, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller of the United States, the financial statements of the governmental activities and the aggregate remaining fund information of the Avoyelles Parish Clerk of Court, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Avoyelles Parish Clerk of Court's basic financial statements, and have issued our report thereon dated December 14, 2017.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

Our consideration of the 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 our audit we did not identify any deficiencies in internal control that we 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 Avoyelles Parish Clerk of Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

DUCOTE & COMPANY

Marksville, Louisiana
December 14, 2017

AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana

Schedule of Audit Results, Findings, and Questioned Costs
For the Year Ended June 30, 2017

Section I – Summary of Auditors' Results

Type of auditors' report issued:	Unqualified	
Internal control over financial reporting:		
Material weakness(es) identified?	_____yes	___x___no
Reportable condition(s) identified not		
Considered to be material weakness(es)	_____yes	___x___no
Noncompliance material to financial statements noted?	_____yes	___x___no

Section II – Summary of Current Year Audit Findings

None noted.

**AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana**

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

Finding Ref No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken
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None reported in prior year.

Section II-Management Letter

None reported in prior year.

**AVOYELLES PARISH CLERK OF COURT
Marksville, Louisiana**

**Corrective Action Plan for Current Year Audit Findings
For the Year Ended June 30, 2017**

Section I – Internal Control and Compliance Material to the Financial Statements

None

Section II – Management Letter Comments

None

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

The Honorable Connie C. Couvillon
Avoyelles Parish Clerk of Court
Marksville, Louisiana

We have performed the procedures enumerated below, which were agreed to by Avoyelles Parish Clerk of Court and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2016 through June 30, 2017. The Clerk's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain the Clerk's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the Clerk does not have any written policies and procedures), as applicable:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget;
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving
 - d) **Receipts**, including receiving, recording, and preparing deposits
 - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
 - f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process
 - g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the Clerk's ethics policy. Note: Ethics requirements are not applicable to nonprofits.
- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

We reviewed the written policies and procedures for the related functions listed above. Through our review, we were able to determine that the entity has sufficient policies and procedures for the related topics.

Board (or Finance Committee, if applicable)

2. Obtain and review the board/committee minutes for the fiscal period, and:
 - a) Report whether the managing board met (with a quorum) at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, or other equivalent document.
 - b) Report whether the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and any additional funds identified as major funds in the entity's prior audit (GAAP-basis).
 - If the budget-to-actual comparisons show that management was deficit spending during the fiscal period, report whether there is a formal/written plan to eliminate the deficit spending for those entities with a fund balance deficit. If there is a formal/written plan, report whether the meeting minutes for at least one board meeting during the fiscal period reflect that the board is monitoring the plan.
 - c) Report whether the minutes referenced or included non-budgetary financial information (e.g. approval of contracts and disbursements) for at least one meeting during the fiscal period.

The entity does not have a board (or Finance Committee), as the Clerk of Court is an elected official responsible for all oversight of the entity. Therefore, these procedures are not applicable to the entity.

Bank Reconciliations

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

We reviewed a listing of the client's bank accounts with Cottonport Bank and compared it to management's representation to verify that management's listing is complete.
4. Using the listing provided by management, select all of the Clerk'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. For each of the bank accounts selected, obtain bank statements and reconciliations for all months in the fiscal period and report whether:
 - a) Bank reconciliations have been prepared;

- b) Bank reconciliations include evidence that a member of management or a board member (with no involvement in the transactions associated with the bank account) has reviewed each bank reconciliation; and
- c) If applicable, management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 6 months as of the end of the fiscal period.

We selected all of the entity's bank accounts and obtained the related bank statements and reconciliations for all the months in the fiscal period. We reviewed the bank reconciliations to report whether they were prepared, included evidence that management had reviewed each statement, and included documentation that management has researched reconciling items that have been outstanding for more than six months as of the end of the fiscal period. During the review of the bank reconciliations, we noted that all bank reconciliations are completed by an outside contract accounting service. Once reconciliations are complete they are then presented to the Clerk of Court for review. The contract accountant is not involved in any of the transactions or deposits, only the reconciliation process.

Collections

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

We reviewed a listing of cash/check/money order collection locations and management's representation to determine that the listing is complete. There is only one collection location, which is the Avoyelles Parish Clerk of Court's office.

- a) Using the listing provided by management, select all of the Clerk'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.
- b) 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 of Court and Supervisors are bonded and do not receive or receipt any cash payments. The clerks operate out of two drawers (civil and recordings). A Supervisor who is independent of taking cash receipts reconciles each drawer daily and makes the deposit. Employees handling cash do not make deposits, record transactions or reconcile accounts.

- c) Obtain existing written documentation (e.g. sequentially numbered receipts, system report, reconciliation worksheets, policy manual) and report whether the Clerk 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.

We obtained written documentation to determine whether the entity has a formal process to reconcile cash collections to the general ledger and subsidiary ledgers by a person that was not responsible for cash collections at the location as noted in item b.

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

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

The majority of the time deposits are made on a weekly or more frequent basis as needed.

➤ 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.

No exceptions noted in this area for the items tested.

6. Obtain existing written documentation (e.g. policy manual, written procedure) and report whether the Clerk 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.

All recording and reconciling of cash collections and receipts are handled by outside contract accountant who is not responsible for any collection procedures.

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

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

The listing was provided by management.

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

- a) Purchases were initiated using a requisition/purchase order system or an equivalent electronic system that separates initiation from approval functions in the same manner as a requisition/purchase order system.
- b) Purchase orders, or an electronic equivalent, were approved by a person who did not initiate the purchase.
- 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.

Purchase orders are not used for purchases since all purchases are approved exclusively by the Clerk of Court.

Using Clerk 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 Clerk's purchasing/disbursement system.

All new vendors are required to complete a W-9 and cannot be added to the system without the approval of the Clerk of Court.

10. Using Clerk 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 of Court has final authorization for disbursements, but does not record purchases into system. Disbursement transactions are entered by the contract accountant. Clerk of Court does have access to checks and all disbursement checks only require only one signature by Clerk of Court with the exception of Advance Fund Checks that can be processed by a Supervisor.

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

Checks are kept in a locked area and only Clerk of Court and a Supervisor have access to print and sign checks. All checks only require one signature.

12. 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 Clerk of Court does not use a signature stamp. Checks are maintained under the control of the signer until mailed.

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 listing was provided by management. The Clerk of Court only has one credit card.

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

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.

No evidence of approval by anyone other than Clerk of Court, who is the only card holder.

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

No finance charges or late fees were assessed.

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

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

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

Receipts were attached for all purchases.

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

Appropriate documentation was attached for all purchases.

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

Not applicable.

- b) For each transaction, compare the transaction's detail (nature of purchase, dollar amount of purchase, supporting documentation) to the Clerk'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.

For each transaction tested the Clerk of Court's written purchasing/disbursement policies were followed without exception.

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

No evidence of noncompliance noted for the transactions tested.

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 listing was provided by management.

18. Obtain the Clerk'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) and report any amounts that exceed GSA rates.

The clerk of court reimburses actual meals and lodging and uses the standard IRS mileage rate for any travel reimbursements.

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

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

All expense reimbursements tested were in accordance with the Clerk's written policy.

- 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.]

Itemized receipts were provided for all Travel and Expense reimbursements.

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

Appropriate documentation was provided as to the business purpose for each reimbursement tested.

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

Not applicable.

- c) Compare the Clerk'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.

The Clerk of Court's documentation of business/public purpose for tested expenses comply with the requirements of Article 7, Section 14 of the Louisiana Constitution.

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

Appropriate approval of each expense tested was noted without exception.

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.

The listing was provided by management.

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

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

There were three written contracts that were entered into by the Clerk of Court for the fiscal year.

- 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)

None of the contracts were subject to the Louisiana Public Bid Law.

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

No quotes were obtained or documented on all applicable purchases.

- 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.

There were no contract amendments.

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

All payments tested were in compliance.

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

Not required by policy.

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:

- 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.

All seven employees tested were paid based on experience. There is no employment contract or pay structure.

- 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 pay raises are given as office funds are available. Pay raises are given across the board as a percentage increase for all employees.

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

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

Daily attendance is tracked by the Clerk of Court by documenting leave taken to track the vacation and sick leave taken by all employees. Hours are not tracked as all employees are paid on a salary basis rather than hourly.

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

Approval for leave was properly documented.

- 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 Clerk of Court maintains leave records on all applicable employees.

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.

All leave was paid in accordance with policy for those employees tested.

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.

All payroll taxes and retirement contributions were reported timely manner to all agencies.

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 Clerk maintained documentation to demonstrate that required ethics training was completed.

All employees completed the ethics training and certificates were maintained by the Clerk of Court.

27. Inquire of management whether any alleged ethics violations were reported to the Clerk 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 Clerk's ethics policy. Report whether management received allegations, whether management investigated allegations received, and whether the allegations were addressed in accordance with policy.

The Clerk of Court is not aware of any alleged or actual ethics violations during the fiscal year.

Debt Service (excluding nonprofits)

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

The only debt incurred for the fiscal year was a lease purchase which included a non-appropriation clause and did not require State Bond Commission approval.

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

All scheduled lease payments were made timely during the fiscal year.

30. If the Clerk 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 Clerk does not assess tax millages.

Other

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

The Clerk of Court informed us that the office did not have any misappropriation of public funds or assets during the fiscal year.

32. Observe and report whether the Clerk 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) concerns the reporting of misappropriation, fraud, waste, or abuse of public funds.

The above mentioned notice was available at the Clerk of Court's office and was added to the website.

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

We did not observe or otherwise identify any exceptions regarding management's representations in the procedures above.

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

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

DUCOTE & COMPANY

Marksville, Louisiana

December 14, 2017