

**CALDWELL PARISH SHERIFF**  
Columbia, Louisiana

**General Purpose Financial Statements  
With Independent Auditor's Report  
As of and for the Year Ended  
June 30, 1997  
With Supplemental Information Schedules**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court

Release Date MAR 04 1998

**VERNON R  
COON**  
CERTIFIED PUBLIC ACCOUNTANT

**CALDWELL PARISH SHERIFF**  
Columbia, Louisiana

**General Purpose Financial Statements**  
**As of and for the Year Ended**  
**June 30, 1997**  
**With Supplemental Information Schedules**

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## Independent Auditor's Report

### CALDWELL PARISH SHERIFF Columbia, Louisiana

MEMBER AMERICAN  
INSTITUTE OF CERTIFIED  
PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA  
CERTIFIED PUBLIC  
ACCOUNTANTS

PRACTICE LIMITED TO  
GOVERNMENTAL  
ACCOUNTING, AUDITING  
AND FINANCIAL REPORTING

I have audited the general purpose financial statements of the Caldwell Parish Sheriff, as of June 30, 1997, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the Caldwell Parish Sheriff's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Caldwell Parish Sheriff as of June 30, 1997, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the Caldwell Parish Sheriff. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

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**CALDWELL PARISH SHERIFF**  
Columbia, Louisiana  
Independent Auditor's Report,  
June 30, 1997

In accordance with *Government Auditing Standards*, I have also issued reports dated December 31, 1997, on the Caldwell Parish Sheriff's compliance with laws, regulations, contracts, and grants, and my consideration of the agency's internal control structure.

A handwritten signature in black ink, appearing to be 'James H. Smith', written in a cursive style.

West Monroe, Louisiana  
December 31, 1997

**GENERAL PURPOSE FINANCIAL STATEMENTS  
(OVERVIEW)**

CALDWELL PARISH SHERIFF  
Columbia, Louisiana  
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, June 30, 1997

	GOVERNMENTAL .. FUND TYPE ..		FIDUCIARY FUND TYPE - AGENCY FUNDS	...ACCOUNT GROUPS...		TOTAL (MEMORANDUM ONLY)
	GENERAL FUND	SPECIAL REVENUE FUNDS		GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	
<b>ASSETS</b>						
Cash	\$92,114	\$149,468	\$166,890			\$408,472
Receivables	34,098	312,300				346,398
Land, buildings, office furnishings, and equipment				\$3,369,148		3,369,148
Amount to be provided for retirement of general long -term debt					\$2,405,247	2,405,247
<b>TOTAL ASSETS</b>	<b>\$126,212</b>	<b>\$461,768</b>	<b>\$166,890</b>	<b>\$3,369,148</b>	<b>\$2,405,247</b>	<b>\$6,529,265</b>
<b>LIABILITIES AND FUND EQUITY</b>						
<b>Liabilities:</b>						
Accounts payable	\$18,435	\$168,312				\$186,747
Payroll deducts payable	913	53				966
Bank loans payable	100,000					100,000
Capital leases payable					\$69,504	69,504
Certificates of indebtedness payable					335,743	335,743
Revenue bonds payable					2,000,000	2,000,000
Due to taxing bodies and others			\$166,890			166,890
<b>Total Liabilities</b>	<b>119,348</b>	<b>168,365</b>	<b>166,890</b>	<b>NONE</b>	<b>2,405,247</b>	<b>2,859,850</b>
<b>Fund Equity:</b>						
Investment in general fixed assets				\$3,369,148		3,369,148
Fund balance - unreserved -undesignated	6,864	293,403				300,267
<b>Total Fund Equity</b>	<b>6,864</b>	<b>293,403</b>	<b>NONE</b>	<b>3,369,148</b>	<b>NONE</b>	<b>3,669,415</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$126,212</b>	<b>\$461,768</b>	<b>\$166,890</b>	<b>\$3,369,148</b>	<b>\$2,405,247</b>	<b>\$6,529,265</b>

The accompanying notes are an integral part of this statement.

**CALDWELL PARISH SHERIFF**  
**Columbia, Louisiana**  
**GOVERNMENTAL FUND TYPE -**  
**GENERAL, SPECIAL REVENUE AND**  
**CAPITAL PROJECTS FUNDS**

Combined Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
For the Year Ended June 30, 1997

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>DETENTION CENTER CAPITAL PROJECTS</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
<b>REVENUES</b>				
Taxes - ad valorem	\$602,405			\$602,405
Intergovernmental revenues:				
Federal grants	148,228			148,228
State grants:				
State supplemental pay	21,048			21,048
State revenue sharing	46,000			46,000
DARE program	18,985			18,985
Other	35,085		\$999,500	1,034,585
Local grants	16,307			16,307
Fees, charges, and commissions for services:				
Commissions on fines, bonds, licenses, and taxes	4,173			4,173
Civil and criminal fees	60,902			60,902
Court attendance	816			816
Transportation of prisoners	26			26
Feeding and keeping of prisoners	448,537	\$1,490,497		1,939,034
Tax notices, etc.	480			480
Other	86,857			86,857
Fines and forfeitures	2,516			2,516
Use of money and property	34,773	335	1,336	36,444
Other revenues	12,043	327		12,370
Total revenues	<u>1,539,181</u>	<u>1,491,159</u>	<u>1,000,836</u>	<u>4,031,176</u>
<b>EXPENDITURES</b>				
Public Safety:				
Current:				
Personal services and related	806,413	523,438		1,329,851
Operating services	463,255	389,890		853,145
Materials and supplies	178,328	221,812		400,140
Travel and other charges	27,891	360		28,251
Debt service	124,240	36,111	3,057,803	3,218,154
Capital outlay	76,237		1,664,732	1,740,969
Intergovernmental	3,201	26,145		29,346
Total expenditures	<u>1,679,565</u>	<u>1,197,756</u>	<u>4,722,535</u>	<u>7,599,856</u>

(Continued)



**Statement B**

**CALDWELL PARISH SHERIFF**  
 Columbia, Louisiana  
**GOVERNMENTAL FUND TYPE - GENERAL, SPECIAL REVENUE,  
 AND CAPITAL PROJECTS FUNDS**  
 Combined Statement of Revenues, Expenditures,  
 and Changes in Fund Balances, 1997

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>DETENTION CENTER CAPITAL PROJECTS</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>(\$140,384)</u>	<u>\$293,403</u>	<u>(\$3,721,699)</u>	<u>(\$3,568,680)</u>
<b>OTHER FINANCING SOURCES (Uses)</b>				
Insurance recovery	15,363			15,363
Proceeds from certificates of indebtedness	421,098			421,098
Proceeds from bond anticipation notes			1,721,699	1,721,699
Proceeds from revenue bonds			<u>2,000,000</u>	<u>2,000,000</u>
Increase in capital leases	<u>63,358</u>			<u>63,358</u>
Total other financing sources (uses)	<u>499,819</u>	<u>NONE</u>	<u>3,721,699</u>	<u>4,221,518</u>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	359,435	293,403	NONE	652,838
<b>FUND BALANCES (Deficit) AT BEGINNING OF YEAR</b>	<u>(352,571)</u>	<u>NONE</u>	<u>NONE</u>	<u>(352,571)</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$6,864</u>	<u>\$293,403</u>	<u>NONE</u>	<u>\$300,267</u>

(Concluded)

The accompanying notes are an integral part of this statement.

**CALDWELL PARISH SHERIFF**  
**Columbia, Louisiana**  
**GOVERNMENTAL FUND TYPE -**  
**GENERAL AND SPECIAL REVENUE FUNDS**

Combined Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Budget (GAAP) Basis and Actual  
For the Year Ended June 30, 1997

	.....GENERAL FUND .....			.....SPECIAL REVENUE FUNDS.....		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>						
Taxes:						
Ad valorem	\$600,000	\$602,405	\$2,405			
Intergovernmental revenues:						
Federal grants	150,000	148,228	(1,772)			
State grants:						
State supplemental pay	23,000	21,048	(1,952)			
State revenue sharing	46,000	46,000				
DARE program	19,000	18,985	(15)			
Other	35,000	35,085	85			
Local grants	17,000	16,307	(693)			
Fees, charges, and commissions for services:						
Commissions on fines, bonds, licenses, and taxes						
		4,173	4,173			
Civil and criminal fees	60,000	60,902	902			
Court attendance	850	816	(34)			
Transportation of prisoners	50	26	(24)			
Feeding and keeping of prisoners	275,000	448,537	173,537	\$1,137,780	\$1,490,497	\$352,717
Tax notices, etc.	500	480	(20)			
Other	3,600	86,857	83,257			
Fines and forfeitures		2,516	2,516			
Use of money and property	35,000	34,773	(227)		335	335
Other revenues	15,000	12,043	(2,957)		327	(115)
Total revenues	<u>1,280,000</u>	<u>1,539,181</u>	<u>259,181</u>	<u>1,137,780</u>	<u>1,491,159</u>	<u>353,379</u>
<b>EXPENDITURES</b>						
Public Safety:						
Current:						
Personal services and related	800,000	806,413	(6,413)	481,296	523,438	(42,142)
Operating services	200,000	463,255	(263,255)	352,764	389,890	(37,126)
Materials and supplies	185,000	178,328	6,672	199,200	221,812	(22,612)
Travel and other charges	25,000	27,891	(2,891)		360	(360)
Debt service	270,000	124,240	145,760		36,111	(36,111)
Capital outlay	20,000	76,237	(56,237)			
Intergovernmental		3,201	(3,201)	87,960	26,145	61,815
Total expenditures	<u>1,500,000</u>	<u>1,679,565</u>	<u>(179,565)</u>	<u>1,121,220</u>	<u>1,197,756</u>	<u>(76,536)</u>

(Continued)

CALDWELL PARISH SHERIFF  
 Columbia, Louisiana  
 GOVERNMENTAL FUND TYPE - GENERAL  
 AND SPECIAL REVENUE FUNDS  
 Combined Statement of Revenues, Expenditures,  
 and Changes in Fund Balances - Budget  
 (GAAP) Basis and Actual, 1997

	.....GENERAL FUND.....			...SPECIAL REVENUE FUNDS.....		
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	<u>(\$220,000)</u>	<u>(\$140,384)</u>	<u>\$79,616</u>	<u>\$16,560</u>	<u>\$293,403</u>	<u>\$276,843</u>
<b>OTHER FINANCING SOURCES (Uses)</b>						
Insurance recovery	160,000	15,363	(144,637)			
Proceeds from certificates of indebtedness		421,098	421,098			
Increase in capital leases		63,358	63,358			
Total other financing sources (uses)	<u>160,000</u>	<u>499,819</u>	<u>339,819</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
<b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<u>(60,000)</u>	<u>359,435</u>	<u>419,435</u>	<u>16,560</u>	<u>293,403</u>	<u>276,843</u>
<b>FUND BALANCES AT BEGINNING OF YEAR</b>	<u>63,538</u>	<u>(352,571)</u>	<u>(416,109)</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
<b>FUND BALANCES AT END OF YEAR</b>	<u>\$3,538</u>	<u>\$6,864</u>	<u>\$3,326</u>	<u>\$16,560</u>	<u>\$293,403</u>	<u>\$276,843</u>

(Concluded)

The accompanying notes are an integral part of this statement.

**CALDWELL PARISH SHERIFF**  
Columbia, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended June 30, 1997

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff serves a four year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff also administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, serving subpoenas, et cetera. As the ex-officio tax collector of the parish, the sheriff is responsible for the collection and distribution of ad valorem property taxes, parish occupational licenses, state revenue sharing funds, sportsmen licenses, and fines, costs, and bond forfeitures imposed by the district court.

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

**A. REPORTING ENTITY**

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

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the police jury to impose its will on that organization and/or

**CALDWELL PARISH SHERIFF**

Columbia, Louisiana

Notes to the Financial Statements (Continued)

- 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.

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

**B. FUND ACCOUNTING**

The sheriff uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fixed assets and general long-term obligations) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

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

**CALDWELL PARISH SHERIFF**  
Columbia, Louisiana  
Notes to the Financial Statements (Continued)

through service charges or user fees. Fiduciary funds are used to account for assets held for others. The sheriff's current operations require the use of only governmental and fiduciary funds as described below:

**Governmental Funds**

**General Fund**

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund and is used to account for the operations of the sheriff's office. The sheriff's primary source of revenue is an ad valorem tax levied by the law enforcement district. Other sources of revenue include commissions on state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance and maintenance of prisoners, et cetera. General operating expenditures are paid from this fund.

**Special Revenue Funds**

The special revenue funds are used to account for general operating expenditures of the detention and correctional centers.

**Fiduciary Funds - Agency Fund Type**

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from the funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**Capital Projects - Detention Center Construction Fund**

The Detention Center Construction Fund is used to account for construction of the detention center located in Clarks, Louisiana. Funding for construction is provided for by a grant from the Louisiana Department of Corrections and the issuance of bond anticipation notes, held by local banks. At the completion of construction, general obligation bonds will be issued to pay off the bond anticipation notes.

**C. FIXED ASSETS AND LONG-TERM DEBT**

General fixed assets are not capitalized in the fund used to acquire or construct them. Instead, capital acquisitions are reflected as expenditures (capital outlay) in the governmental funds and the related assets are reported in the general fixed assets account group. General fixed assets provided by the parish police jury are not recorded in the general fixed assets account group. Approximately 10 per cent of fixed assets are valued at estimated historical costs based on the actual costs of like items while the remaining 90 per cent are based on actual historical costs. Donated fixed assets are valued at their estimated fair market value on the date received. No depreciation has been provided on general fixed assets. Interest costs incurred during construction of the detention center are capitalized.

Long-term debt, such as capital leases, bond anticipation notes and bonds payable are recognized as liabilities of a governmental fund only when due. The remaining portion of such debt is reported in the general long-term debt account group.

**D. BASIS OF ACCOUNTING**

The financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental and fiduciary fund types. 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 be used to pay liabilities of the current period. The sheriff uses the following practices in recording revenues and expenditures:

**Revenues**

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis and attach as an enforceable lien and become due

**CALDWELL PARISH SHERIFF**

Columbia, Louisiana

Notes to the Financial Statements (Continued)

and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December, January, and February of the fiscal year.

Intergovernmental revenues and fees, charges, and commissions for services are recorded when the sheriff is entitled to the funds.

Interest income on demand deposits is recorded monthly when the interest is earned and credited to the account.

Based on the above criteria, intergovernmental revenues and fees, charges, and commissions for services are treated as susceptible to accrual.

**Expenditures**

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

**Other Financing Sources**

Sale of fixed assets, insurance recoveries, proceeds from certificates of indebtedness and increases capital leases are accounted for as other financing sources and are recognized when the underlying events have occurred.

**E. BUDGET PRACTICES**

Proposed budgets, prepared on the modified accrual basis of accounting, are published in the official journal at least ten days prior to the public hearing. Public hearings are held at the Caldwell Parish Sheriff's office during the month of June for comments from taxpayers. The budgets are then legally adopted by the sheriff and amended during the year, as necessary. Budgets are established and controlled by the sheriff at the object level of expenditure. Encumbrance accounting is not recognized within the budgetary accounting system.

Appropriations lapse at year-end and must be reappropriated for the following year to be expended. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.



**CALDWELL PARISH SHERIFF**  
Columbia, Louisiana  
Notes to the Financial Statements (Continued)

**F. CASH AND CASH EQUIVALENTS**

Under state law, the sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 1997, the sheriff has cash (book balances) totaling 408,218, as follows:

Demand deposits	\$407,722
Petty Cash	<u>750</u>
Total	<u>\$408,472</u>

Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These deposits are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash (bank balances) at June 30, 1997, totaling \$639,146, are not fully secured by federal deposit insurance.

**G. INVENTORY**

The inventory at June 30, 1997, consists of commodities received from the United States Department of Agriculture (USDA) through the Louisiana Department of Agriculture, as provided by the Food Distribution Program (CFDA 10.550). The inventory is valued at unit prices established by the USDA and recorded as expenditures under the consumption method, using the first-in, first-out (FIFO) cost flow assumption for valuing inventory.

**H. VACATION AND SICK LEAVE**

After one year of service, all employees are granted two weeks of vacation leave each year. Vacation leave must be taken in the year granted and may not be accumulated and carried forward to succeeding years. Sick leave is granted on a case-by-case basis, at the discretion of the sheriff.

**CALDWELL PARISH SHERIFF**  
 Columbia, Louisiana  
 Notes to the Financial Statements (Continued)

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

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

**2. LEVIED TAX**

As provided by Louisiana Revised Statute 33:9001, a law enforcement district has been created for the purpose of providing financing to the office of the sheriff of Caldwell Parish. Louisiana Revised Statute 33:9003 requires the district to levy a tax on the assessed valuation of all property appearing on the 1977 and subsequent tax rolls in an amount that would produce for the district in the initial year the same revenue as that estimated to be produced by the sheriff's commission on ad valorem taxes for the fiscal year 1976-77. For the 1996 tax roll the district levied 28.27 mills.

**3. RECEIVABLES**

The receivables of \$346,398 as of June 30, 1997, are as follows:

	General Fund	Special Revenue Funds	Total
Ad valorem taxes	\$2,726		\$2,726
Intergovernmental revenues:			
Federal grants	\$5,280		5,280
State grants	20,496	\$312,300	332,796
Local grants	1,799		1,799
Fees, charges, and commissions for services	3,517		3,517
Other sources	280		280
Total	<u>\$34,098</u>	<u>\$312,300</u>	<u>\$346,398</u>

**4. CHANGES IN GENERAL FIXED ASSETS**

A summary of changes in for the year ended June 30, 1997 follows:

**CALDWELL PARISH SHERIFF**  
**Columbia, Louisiana**  
**Notes to the Financial Statements (Continued)**

	<u>Balance at June 30, 1996</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 1997</u>
<b>Sheriff's Office:</b>				
Office furniture & equipment	\$47,447	\$10,401		\$57,848
Other equipment & weapons	90,184	3,380		93,564
Vehicles	<u>102,104</u>	<u>83,357</u>		<u>185,461</u>
Subtotal sheriff's office	<u>239,735</u>	<u>97,138</u>	<u>NONE</u>	<u>336,873</u>
<b>Detention Center:</b>				
Land		6,000		6,000
Buildings & improvements		3,000,130		3,000,130
Construction in progress	1,267,997	1,732,133	(\$3,000,130)	NONE
Equipment		<u>1,076</u>		<u>1,076</u>
Subtotal detention center	<u>1,267,997</u>	<u>4,739,339</u>	<u>(3,000,130)</u>	<u>3,007,206</u>
<b>Corrections Center:</b>				
Equipment		3,476		3,476
Vehicles		<u>21,593</u>		<u>21,593</u>
Subtotal corrections center	<u>NONE</u>	<u>25,069</u>	<u>NONE</u>	<u>25,069</u>
Total	<u>\$1,507,732</u>	<u>\$4,861,546</u>	<u>(\$3,000,130)</u>	<u>\$3,369,148</u>

The additions for office furniture and equipment includes \$20,900 of donated equipment. The \$6,000 addition to land is land that was acquired in 1995 but was not included in fixed assets.

**5. LEASES**

During the year ended June 30, 1994, the sheriff entered into a lease-purchase agreement for the purchase of a computer system. The lease agreement requires monthly payments of \$356 through January, 1999. In March, 1997, the sheriff entered into a lease-purchase agreement for the purchase of three automobiles. The lease agreement requires annual payments of \$23,479 through December, 1999. All debt retirement payments are made from the General Fund. The following schedule summarizes future net minimum lease requirements:

1998	\$27,753
1999	25,785
2000	<u>23,479</u>
Total payments	77,017
Less interest	<u>(7,513)</u>
Total net minimum lease payments	<u>\$69,504</u>

CALDWELL PARISH SHERIFF  
 Columbia, Louisiana  
 Notes to the Financial Statements (Continued)

6. LOANS PAYABLE AND CERTIFICATES  
 OF INDEBTEDNESS

During the year ended June 30, 1996, the sheriff entered into several loan agreements with local banks, for \$1,370,050 to be used to fund current operations. The following schedule presents changes in operating loans for the year ended June 30, 1997:

Balance, June 30, 1996	\$407,550
Additions	338,548
Reductions	<u>(646,098)</u>
Balance, June 30, 1997	<u>\$100,000</u>

Included in reductions above is \$421,098 which was liquidated with the issuance of five year certificates of indebtedness. The certificates carry an interest rate of 9% with annual payments of \$103,318 due on February 1, 1997 through 2001. Debt retirement payments are made from the General Fund.

7. BOND ANTICIPATION NOTES

On December 21, 1995, the former sheriff entered into an agreement with Caldwell Bank and Trust Company, Homeland Federal Savings Bank, and Citizens Progressive Bank for interim financing in anticipation of revenue bonds to be issued for acquisition, construction, and equipping of a detention center in Caldwell Parish. Under the agreement, the banks agreed to provide financing of up to \$1,000,000, \$525,000, and \$475,000, respectively. At the completion of construction, the sheriff issued \$2,000,000 in revenue bonds and the bond anticipation notes were liquidated. Further, during the first few months of construction the banks advanced the sheriff \$989,678 which was repaid with construction grant funds received from the Louisiana Department of Corrections. The following schedule presents changes in bond anticipation notes for the year ended June 30, 1997:

	Caldwell Bank	Homeland Bank	Citizens Progressive Bank	Total
Balance, June 30, 1996	\$633,894	\$332,954	\$301,149	\$1,267,997
Additions	860,945	457,532	403,204	1,721,681
Reductions	<u>(1,494,839)</u>	<u>(790,486)</u>	<u>(704,353)</u>	<u>(2,989,678)</u>
Balance, June 30, 1997	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>

**CALDWELL PARISH SHERIFF**  
 Columbia, Louisiana  
 Notes to the Financial Statements (Continued)

**8. CHANGES IN GENERAL LONG-TERM DEBT**

A summary of changes in general long-term debt follows:

	Capital Leases	Certificates of Indebtedness	1997 Revenue Bonds	Bond Anticipation Notes	Total
Balance, July 1, 1996	\$11,505	NONE	NONE	\$1,267,997	\$1,279,502
Additions	63,358	\$421,098	2,000,000	1,721,681	4,206,137
Reductions	<u>(5,359)</u>	<u>(85,355)</u>	NONE	<u>(2,989,678)</u>	<u>(3,080,392)</u>
Balance, June 30, 1997	<u>\$69,504</u>	<u>\$335,743</u>	<u>\$2,000,000</u>	<u>NONE</u>	<u>\$2,405,247</u>

The 1997 revenue bonds were issued to fund the cost of constructing a detention center. The bonds carry an annual interest rate of 6.25% and are due in monthly installments of \$23,763 through October 2006. The following provides annual debt service requirements, including interest of \$638,884.

Year Ended June 30.:	
1998	\$261,396
1999	285,159
2000	285,159
2001	285,159
2002	285,159
2003-2006	<u>1,236,852</u>
Total	<u>\$2,638,884</u>

**9. PENSION PLAN**

Substantially all employees of the Caldwell Parish Sheriff's office are members of the Louisiana Sheriff's Pension and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All sheriffs and all deputies who are found to be physically fit, who earn at least \$400 per month, and who were between the ages of 18 and 50 at the time of original employment are required to participate in the System. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to a percentage of their final-average salary for each year of credited service. The percentage factor to be used for each year of service is 2.5 per cent for each year if total service is at least 12 but less than 15 years, 2.75 per cent for each

## CALDWELL PARISH SHERIFF

Columbia, Louisiana

### Notes to the Financial Statements (Continued)

year if total service is at least 15 but less than 20 years, and 3 per cent for each year if total service is at least 20 years (Act 1117 of 1995 increased the accrual rate by 0.25 percent for all service rendered on or after January 1, 1980). In any case, the retirement benefit cannot exceed 100 per cent 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 as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established or amended by state statute.

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 Sheriffs Pension and Relief Fund, Post Office Box 3163, Monroe, Louisiana 71220, or by calling (318) 362-3191.

Plan members are required by state statute to contribute 8.7 percent of their annual covered salary and the Caldwell Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 6.0 percent of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Caldwell Parish Sheriff 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 Caldwell Parish Sheriff's contributions to the System for the years ended June 30, 1997, 1996, and 1995 were \$28,986, \$20,231, and \$20,638, respectively, equal to the required contributions for each year.

#### **10. POST RETIREMENT BENEFITS**

The Caldwell Parish Sheriff provides certain health care and life insurance benefits for retired employees. Substantially all of the sheriff's employees become eligible for these benefits if they reach normal retirement age while working for the sheriff. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid by the sheriff. The sheriff recognizes the cost of providing these benefits as an expenditure when the monthly premiums are due, which were \$137,986 for the year ended June 30, 1997. Of these amounts, \$15,351 were for retiree benefits.

**CALDWELL PARISH SHERIFF**  
 Columbia, Louisiana  
 Notes to the Financial Statements (Continued)

**11. DEPOSITS DUE OTHERS**

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

	<u>Balance at</u> <u>July 1, 1996</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at</u> <u>June 30, 1997</u>
Sheriff's Fund	\$18,906	\$353,897	(\$354,734)	\$18,069
Tax Collector Fund	49,464	3,313,602	(3,292,771)	70,295
Fines Fund	43,007	55,533	(51,703)	46,837
Correction Center:				
Commissary Fund	100	28,674	(26,096)	2,678
Inmate Fund		52,339	(36,685)	15,654
Detention Center:				
Commissary Fund		50,496	(46,215)	4,281
Inmate Fund	4,723	64,018	(59,665)	9,076
Total	<u>\$116,200</u>	<u>\$3,918,559</u>	<u>(\$3,867,869)</u>	<u>\$166,890</u>

**12. LITIGATION AND CLAIMS**

At June 30, 1997, the Caldwell Parish Sheriff is involved in several lawsuits which, in the opinion of the sheriff's legal counsel, will not result in any material liability to the sheriff.

**13. EXPENDITURES OF THE SHERIFF'S OFFICE  
 PAID BY THE PARISH POLICE JURY**

The Caldwell Parish Sheriff'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 Caldwell Parish Police Jury.

**14. RESTATEMENT OF FUND BALANCE**

The June 30, 1996 fund balance of the General Fund has been restated to correct an error in recording prior year receivables. The following reconciles fund balances of the general fund as previously reported to beginning fund balances as presented on Statement B:

CALDWELL PARISH SHERIFF  
 Columbia, Louisiana  
 Notes to the Financial Statements (Continued)

Fund deficit as previously reported	(\$343,962)
Adjustment to prior year receivables	<u>(8,609)</u>
Fund deficit at July 1, 1996, restated	<u><u>(\$352,571)</u></u>

**15. FEDERAL/STATE FINANCIAL ASSISTANCE**

During the year ended June 30, 1997, the Caldwell Parish Sheriff participated in the following federal and state financial assistance programs:

<u>Program Title</u>	<u>CFDA Number</u>	<u>Grant Number</u>	<u>Receipts</u>	<u>Revenue</u>	<u>Issues/ Expenditures</u>
<b>Federal Programs:</b>					
<b>United States Department of Agriculture</b>					
Passed through Louisiana Department of Agriculture and Forestry - Food Distribution	10.550	N/A	\$400	\$400	\$1,123
<b>United States Department of Justice</b>					
Direct program - Public Safety and Community Policing Grants (COPS Grants)	16.710	95-CFWX0299	98,029	98,029	98,029
Direct program - Local Law Enforcement Block Grant Equipment	16.592	96-LB-VX-0875	12,837	12,837	12,837
Passed through Louisiana Commission on Law Enforcement and Administration of Criminal Justice: Street Level Narcotics Apprehension Program - "SNAP" Program	16.579	95-B2-B.07-0090	27,082	32,362	32,362
Passed through Caldwell Parish Police Jury - Church Arson Prevention Grant	16.580	N/A	<u>4,600</u>	<u>4,600</u>	<u>4,600</u>
Total Federal Financial Assistance			<u><u>\$142,948</u></u>	<u><u>\$148,228</u></u>	<u><u>\$148,951</u></u>
<b>State Program:</b>					
Passed through Louisiana Commission on Law Enforcement and Administration of Criminal Justice - Drug Abuse Resistance Education (DARE)	N/A	E97-2-008	<u><u>\$13,525</u></u>	<u><u>\$18,985</u></u>	<u><u>\$18,985</u></u>



**SUPPLEMENTAL INFORMATION SCHEDULES**

**CALDWELL PARISH SHERIFF**  
Columbia, Louisiana  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
*As of and For the Year Ended June 30, 1997*

**SPECIAL REVENUE FUNDS**

**DETENTION CENTER OPERATING FUND**

The Detention Center Operating Fund accounts for general revenue and operating expenditures of the Detention Center.

**CORRECTION CENTER OPERATING FUND**

The Correction Center Operating Fund accounts for general revenue and operating expenditures of the Correction Center.

**CALDWELL PARISH SHERIFF**  
**Columbia, Louisiana**  
**SPECIAL REVENUE FUNDS**

Combining Balance Sheet. June 30, 1997

	<u>DETENTION CENTER OPERATING FUND</u>	<u>CORRECTION CENTER OPERATING FUND</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
<b>ASSETS</b>			
Cash	\$53,545	\$95,923	\$149,468
Receivables	<u>161,713</u>	<u>150,587</u>	<u>312,300</u>
<b>TOTAL ASSETS</b>	<u><u>\$215,258</u></u>	<u><u>\$246,510</u></u>	<u><u>\$461,768</u></u>
<b>LIABILITIES AND FUND EQUITY</b>			
Liabilities:			
Accounts payable	\$90,960	\$77,352	\$168,312
Payroll deducts payable		<u>53</u>	<u>53</u>
Total Liabilities	<u>90,960</u>	<u>77,405</u>	<u>168,365</u>
Fund Equity:			
Fund balance - unreserved -undesignated	<u>124,298</u>	<u>169,105</u>	<u>293,403</u>
Total Fund Equity	<u>124,298</u>	<u>169,105</u>	<u>293,403</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u><u>\$215,258</u></u>	<u><u>\$246,510</u></u>	<u><u>\$461,768</u></u>

**CALDWELL PARISH SHERIFF**  
**Columbia, Louisiana**  
**SPECIAL REVENUE FUNDS**

Combining Schedule of Revenues, Expenditures,  
and Changes in Fund Balance  
For the Year Ended June 30, 1997

	DETENTION CENTER OPERATING FUND	CORRECTION CENTER OPERATING FUND	TOTAL (MEMORANDUM ONLY)
<b>REVENUES</b>			
Fees, charges, and commissions for services - feeding and keeping of prisoners	\$890,596	\$599,901	\$1,490,497
Use of money and property		335	335
Other revenues	147	180	327
Total revenues	<u>890,743</u>	<u>600,416</u>	<u>1,491,159</u>
<b>EXPENDITURES</b>			
Public safety:			
Current:			
Personal services and related benefits	352,319	171,119	523,438
Operating services	309,879	80,011	389,890
Materials and supplies	103,138	118,674	221,812
Travel and other	33	327	360
Debt service		36,111	36,111
Capital outlay	1,076	25,069	26,145
Total expenditures	<u>766,445</u>	<u>431,311</u>	<u>1,197,756</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>124,298</u>	<u>169,105</u>	<u>293,403</u>
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$124,298</u>	<u>\$169,105</u>	<u>\$293,403</u>

**CALDWELL PARISH SHERIFF**  
Columbia, Louisiana  
**SUPPLEMENTAL INFORMATION SCHEDULES**  
As of and For the Year Ended June 30, 1997

**FIDUCIARY FUND TYPE - AGENCY FUNDS**

**SHERIFF'S FUND**

The Sheriff's fund accounts for the collection of funds in civil suits, sheriff's sales, and garnishments and payment of these collections to recipients in accordance with applicable laws.

**TAX COLLECTOR FUND**

Article V, Section 27 of the Louisiana Constitution of 1974, provides that the sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies. It also accounts for the collection of bonds, fines and costs, and payment of the collections to recipients in accordance with applicable laws.

**FINES FUND**

The Fines Fund accounts for partial payments on court fines. Funds are transferred to the Tax Collector Fund for settlement when full payment is received.

**INMATE FUNDS**

The Inmate funds account for individual prisoner account balances. Funds are deposited in the name of the prisoner and are payable upon request. Balances in the individual prisoner accounts are returned upon completion of their jail sentences.

**COMMISSARY FUNDS**

The Commissary funds account for the purchase and resale of personal items to the inmates at the jail and the detention center.

**CALDWELL PARISH SHERIFF**  
 Columbia, Louisiana  
**FIDUCIARY FUND TYPE - AGENCY FUNDS**

Combining Balance Sheet, June 30, 1997

	TAX		CORRECTION CENTER		DETENTION CENTER		TOTAL
	SHERIFF'S FUND	COLLECTOR FUND	FINES FUND	COMMISSARY FUND	INMATE FUND	COMMISSARY FUND	
<b>ASSETS</b>							
Cash	<u>\$18,069</u>	<u>\$70,295</u>	<u>\$46,837</u>	<u>\$2,678</u>	<u>\$15,654</u>	<u>\$4,281</u>	<u>\$9,076</u>
							<u>\$166,890</u>
<b>LIABILITIES</b>							
Due to taxing bodies and others	<u>\$18,069</u>	<u>\$70,295</u>	<u>\$46,837</u>	<u>\$2,678</u>	<u>\$15,654</u>	<u>\$4,281</u>	<u>\$9,076</u>
							<u>\$166,890</u>

CALDWELL PARISH SHERIFF  
Columbia, Louisiana  
FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes in Unsettled  
Balances Due to Taxing Bodies and Others  
For the Year Ended June 30, 1997

	TAX		CORRECTION CENTER		DETENTION CENTER		TOTAL
	SHERIFF'S FUND	COLLECTOR FUND	FINES FUND	COMMISSARY FUND	INMATE FUND	COMMISSARY FUND	
	\$18,906	\$49,464	\$43,007	\$100	NONE	NONE	\$4,723
	2,500		\$55,533				
	37,340						
	314,057						
		2,728,937					
		107					
		3,388					
		46,078					
		274,328					
		224,902					
		13,542					
		4,755					
		3,640					
		2,051					
		4,060					
				28,674		50,496	64,018
					52,339		
		7,814					
	353,897	3,313,602	55,533	28,674	52,339	50,496	64,018
	372,803	3,363,066	98,540	28,774	52,339	50,496	68,741

UNSETTLED BALANCES DUE TO  
TAXING BODIES AND OTHERS  
AT BEGINNING OF YEAR

ADDITIONS

Deposits:	2,500						
Bonds							
Fines			\$55,533				
Garnishments							
Sheriff's sales							
Current year taxes		2,728,937					
Prior year taxes		107					
Redemptions		3,388					
Sportsman licenses		46,078					
Fines and costs		274,328					
State revenue sharing		224,902					
Protest taxes		13,542					
Interest on:							
Delinquent taxes		4,755					
NOW account		3,640					
Protest taxes		2,051					
Tax notices, etc.		4,060					
Commissary sales				28,674		50,496	64,018
Inmate receipts					52,339		
Collections for others							
Total additions		7,814	55,533	28,674	52,339	50,496	64,018
Total		3,363,066	98,540	28,774	52,339	50,496	68,741

3,918,552  
4,034,759

**REDUCTIONS**

Deposits settled to:

Sheriff's General Fund	20,142	692,690	712,832
Other sheriff's	90		90
Clerk of Court	72,057	12,034	12,034
Litigants	2,610		72,057
Attorneys, appraisers, etc.		1,424	2,610
Treasurer, State of Louisiana		17,663	1,424
Louisiana Forestry Commission		38,934	17,663
Louisiana Dept. of Wildlife and Fisheries		829	38,934
LA Tax Commission		894,774	829
Police Jury		1,176,754	894,774
School Board		161,303	1,176,754
Assessor		30,032	161,303
Columbia Heights Sewerage District		10,518	30,032
Kelly Water Works		43,133	10,518
Drainage District			43,133
37th Judicial District:			
District Attorney		32,263	32,263
District Court		19,650	19,650
Indigent Defender Board		23,825	23,825
Applied Technique		5,250	5,250
Northwest Crime Lab		12,490	12,490
Tensas Basin Levee		26,984	26,984
Pension funds		83,062	83,062
Redemption refunds		953	953
Commissary supplies			
Inmate disbursements		26,096	26,096
Other settlements			
Total reductions	259,835	8,206	46,153
	354,734	3,292,771	319,806
			3,867,869

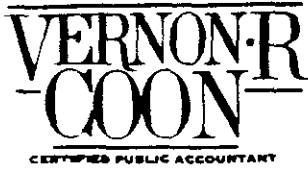
**UNSETTLED BALANCES DUE TO  
TAXING BODIES AND OTHERS  
AT END OF YEAR**

	<u>51,703</u>	<u>36,685</u>	<u>59,665</u>	<u>96,350</u>
	<u>51,703</u>	<u>36,685</u>	<u>59,665</u>	<u>96,350</u>
	<u>\$46,837</u>	<u>\$15,654</u>	<u>\$9,076</u>	<u>\$166,890</u>
	<u>\$70,295</u>	<u>\$2,678</u>	<u>\$4,281</u>	<u>\$9,076</u>
	<u>\$18,069</u>	<u>\$15,654</u>	<u>\$9,076</u>	<u>\$166,890</u>



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

The following independent auditor's reports on compliance with laws, regulations, contracts, and grants and internal control structure are presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.



**Independent Auditor's Report on Compliance  
With Laws, Regulations, Contracts, and Grants**

**CALDWELL PARISH SHERIFF**  
Columbia, Louisiana


I have audited the general purpose financial statements of the Caldwell Parish Sheriff as of June 30, 1997, and for the year then ended, and have issued my report thereon dated December 31, 1997.

I conducted my audit in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. Those standards and the audit guide require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Caldwell Parish Sheriff, is the responsibility of the Caldwell Parish Sheriff's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, I performed tests of the Caldwell Parish Sheriff's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of my audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of the Caldwell Parish Sheriff. This is not intended to limit the distribution of this report, which is a matter of public record.

  
West Monroe, Louisiana  
December 31, 1997

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INSTITUTE OF CERTIFIED  
PUBLIC ACCOUNTANTS  
SOCIETY OF LOUISIANA  
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**Independent Auditor's Report  
on the Internal Control Structure**

**CALDWELL PARISH SHERIFF**  
Columbia, Louisiana

I have audited the general purpose financial statements of the Caldwell Parish Sheriff as of June 30, 1997, and for the year then ended, and have issued my report thereon dated December 31, 1997.

I conducted my audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Caldwell Parish Sheriff is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing my audit of the general purpose financial statements of the Caldwell Parish Sheriff for the year ended June 30, 1997, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

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I noted certain matters involving the internal control structure and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the sheriff's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

**Need to Improve Time Records**

**Finding:** My test of payroll expenditures disclosed that time sheets are only maintained for employees receiving hourly wages. Proper internal control dictates that evidence be present to support management's assertion that payroll expenditures are for work authorized and performed and that salaries or wages are computed using authorized rates. Lack of signed time sheets precludes the sheriff from providing this evidence. Additionally, signed time sheets provide historical evidence of actual time worked by employees in the event of disagreements concerning overtime, etc.

**Recommendation:** I recommend that adopt formal policies with regard to time and attendance records. The formal policy should require signed time sheets for all employees.

**Management's response:** The sheriff's office will adopt a policy regarding time and attendance records that will assure that payroll expenses are documented as to work authorized and performed and salaries/wages authorized.

**Need to Reconcile All  
Bank Accounts**

**Finding:** My tests of cash transactions at the Corrections and Detention centers disclosed that reconciliations are not performed for all bank accounts. Proper internal control over cash accounts requires that bank accounts be reconciled to accounting records on a monthly basis and that corrections be made for any differences between the two.

**Recommendation:** Management of the sheriff's office should require that all bank accounts be reconciled to the accounting records on a monthly basis. Any differences between the two should require follow-up and corrective action by the bookkeeper and/or bank.

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**Management's response:** Management will require that all bank accounts be reconciled monthly. In addition, management will test/review reconciliations to insure that they are done timely and that appropriate corrective action has been taken.

**Need to Maintain Complete  
Accounting Records**

**Finding:**My review of operations at the Corrections and Detention centers disclosed that adequate accounting records were not maintained during the period under audit. Each center had three funds during the period. Accounting records for the funds ranged from none to incomplete (all transactions not posted). proper internal control, and state law, requires that accurate and complete accounting records be maintained for all funds under the control of the sheriff. Without such financial information, the sheriff cannot demonstrate compliance with applicable laws, prepare financial statements, or demonstrate the fulfilment of his fiduciary responsibilities.

**Recommendation:** The management of the sheriff's office should ensure that complete and accurate accounting records are maintained for all funds under the control of the office.

**Management's response:** Due to the number of tasks involved in putting these two facilities into operation during the latter half of the year, as well as some computer software and personnel problems, the accounting records were in disarray. Management has taken action to correct the computer software and personnel problems which will ensure that adequate, complete, and accurate records are maintained for proper fiduciary control.

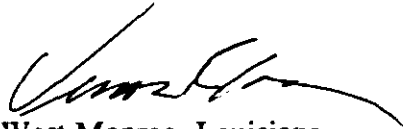
A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered material weaknesses as defined above. However, I consider the last two reportable conditions described above to be a material weaknesses.

I also noted other matters involving the internal control structure and its operation that I have reported to management of the Caldwell Parish Sheriff in a separate letter dated December 31, 1997.

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This report is intended for the information of the Caldwell Parish Sheriff. This is not intended to limit the distribution of this report, which is a matter of public record.

A handwritten signature in black ink, appearing to be 'V. H. ...', written over a horizontal line.

West Monroe, Louisiana  
December 31, 1997