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INDEPENDENT AUDITOR'S REPORT

**AVOYELLES PARISH ASSESSOR
MARKSVILLE, LOUISIANA**

FINANCIAL STATEMENTS

DECEMBER 31, 1995

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Release Date 7-24-96

**AVOUELLES PARISH ASSESSOR
MARKSVILLE, LOUISIANA**

**ANNUAL FINANCIAL STATEMENTS WITH AUDITOR'S REPORT
FOR THE YEARS ENDED DECEMBER 31, 1995 AND 1994**

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McRight & Associates
CERTIFIED PUBLIC ACCOUNTANTS

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American Institute of C.P.A.s
Society of Louisiana C.P.A.s

INDEPENDENT AUDITORS' REPORT

Honorable Lee Thevenot
Avoyelles Parish Assessor
Marksville, Louisiana

We have audited the accompanying general purpose financial statements of the Avoyelles Parish Assessor, a component unit of the Avoyelles Parish Police Jury, Marksville, Louisiana, as of and for the years ended December 31, 1995 and 1994, as listed in the table of contents. These general purpose financial statements are the responsibility of the Assessor. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our 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 we 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 general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Avoyelles Parish Assessor, Marksville, Louisiana, as of December 31, 1995, and the results of its operations for the two years then ended in conformity with generally accepted accounting principles.

McRight & Associates

Baton Rouge, Louisiana
June 18, 1996

AVOUELLES PARISH ASSESSOR
MARKSVILLE, LOUISIANA

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUP
DECEMBER 31, 1995

A S S E T S

	<u>Governmental</u>	<u>Fund Type</u>
	<u>General</u>	<u>Fund</u>
Cash (Note 5)	\$149,404	
Investments, at cost (Note 5)	180,000	
Ad Valorem Tax Receivable	259,944	
Tax Roll Fees	6,258	
State Revenue Sharing Receivable	70,470	
A/R - Other	2,357	
Equipment (Note 2)	-	
	<hr/>	
Total Assets	\$668,433	
	<hr/> <hr/>	

L I A B I L I T I E S A N D F U N D E Q U I T Y

Liabilities:	
Accounts Payable	\$ 103
	<hr/>
Total Liabilities	103
Fund Equity:	
Investment in General Fixed Assets	-
Fund Balance:	
Unreserved - Undesignated	668,330
Total Fund Equity	<u>668,330</u>
Total Liabilities and Fund Equity	<u>\$668,433</u>

The accompanying notes are an integral part of this statement

Account
Group

Total
(Memorandum Only)

General
Fixed Assets

	<u>1995</u>	<u>1994</u>
\$ -	\$ 149,404	\$ 81,500
-	180,000	175,000
-	259,944	250,848
	6,258	7,868
	70,470	74,566
	2,357	
<u>102,447</u>	<u>102,447</u>	<u>100,794</u>
<u>102,447</u>	<u>\$ 770,880</u>	<u>\$ 690,576</u>
\$ -	\$ 103	\$
-		
<hr/>	<hr/>	<hr/>
-	103	
<hr/>	<hr/>	<hr/>
<u>102,447</u>	102,447	100,794
-	<u>668,330</u>	<u>589,782</u>
<u>102,447</u>	<u>770,880</u>	<u>690,576</u>
<u>\$102,447</u>	<u>\$ 770,880</u>	<u>\$ 690,576</u>

AVOUELLES PARISH ASSESSOR
MARKSVILLE, LOUISIANA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUND TYPE - GENERAL FUND
FOR THE YEARS ENDED DECEMBER 31, 1995 AND 1994**

	<u>1995</u>	<u>1994</u>
<u>REVENUES</u>		
Taxes - Ad valorem	\$294,084	\$285,482
State Revenue Sharing	99,556	111,849
OJT Reimbursement	1,139	0
Interest	17,078	7,508
Tax Roll Fees	7,427	13,039
	<hr/>	<hr/>
TOTAL REVENUES	419,284	417,878
	<hr/>	<hr/>
<u>EXPENDITURES</u>		
General Government		
Current Operating		
Salaries		
Assessor	50,760	50,760
Deputies	172,080	153,870
Other	8,240	2,250
Insurance Benefits	34,939	38,903
Retirement Benefits	13,153	12,789
Unemployment Benefits	243	195
Payroll Taxes	0	590
Expense Allowance	5,076	5,076
Travel Expense	2,761	4,979
Auto Supplies	3,843	4,212
Office Supplies	8,826	5,845
Professional Services	13,938	7,538
Other Insurance	4,981	5,526
Dues, Ads & Subscriptions	3,258	2,735
Equipment Expense	8,502	10,477
Postage	2,602	2,117
Telephone	5,881	5,410
Capital Outlay	1,653	1,470
	<hr/>	<hr/>
TOTAL EXPENDITURES	340,736	314,742
Excess of revenues over expenditures	78,548	103,136
Fund Balance at beginning of year	589,782	486,646
	<hr/>	<hr/>
Fund Balance at end of year	668,330	589,782
	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of this statement

AVOUELLES PARISH ASSESSOR
MARKSVILLE, LOUISIANA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL -
GENERAL FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 1995**

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVOR.)</u>
<u>REVENUES</u>			
Taxes - Ad valorem	\$294,084	\$280,000	14,084
State Revenue Sharing	99,556	105,000	(5,444)
Interest	17,078	14,400	2,678
OJT Reimbursement	1,139	0	1,139
Tax Roll Fees	<u>7,427</u>	<u>13,000</u>	<u>(5,573)</u>
TOTAL REVENUES	<u>419,284</u>	<u>412,400</u>	<u>6,884</u>
<u>EXPENDITURES</u>			
General Government			
Current Operating			
Salaries			
Assessor	50,760	50,760	
Deputies	172,080	172,080	
Other	8,240	8,240	
Insurance Benefits	34,939	36,000	1,061
Retirement Benefits	13,153	13,000	(153)
Unemployment Benefits	243	200	(43)
Expense Allowance	5,076	5,076	
Travel Expense	2,761	3,000	239
Auto Supplies	3,843	4,000	157
Office Supplies	8,826	8,000	(826)
Professional Service	13,938	14,400	462
Other Insurance	4,981	4,500	(481)
Dues, Ads & Subs	3,258	2,800	(458)
Equipment Expense	8,502	9,600	1,098
Postage	2,602	1,800	(802)
Telephone	5,881	6,000	119
Capital Outlay	<u>1,653</u>	<u>4,000</u>	<u>2,347</u>
TOTAL EXPENDITURES	<u>340,736</u>	<u>343,456</u>	<u>2,720</u>
Excess of revenues over expenditures	78,548	68,944	9,604
Fund Balance at beginning	<u>589,782</u>	<u>589,782</u>	
Fund Balance at end of year	<u><u>668,330</u></u>	<u><u>658,726</u></u>	<u><u>9,604</u></u>

The accompanying notes are an integral part of this statement

AVOYELLES PARISH ASSESSOR
MARKSVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

INTRODUCTION

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the assessors are elected by the voters of each parish, Orleans Parish excepted, and serve terms of four years. The assessors assess property, prepare tax rolls, and submit the rolls to the Louisiana Tax Commission as prescribed by law. The Assessor is authorized to appoint as many deputies as may be necessary for the efficient operation of the office and provides assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the assessor is officially and pecuniary responsible for the actions of the deputies.

The Assessor's office is located in the Avoyelles Parish Courthouse in Marksville, Louisiana. The Assessor employs 9 employees, including 8 deputies. In accordance with Louisiana law, the assessor bases real and movable property assessments on conditions existing on January 1 of the tax year. The assessor completes an assessment listing by May 1 of the tax year and submits the list to the parish governing authority and the Louisiana Tax Commission as prescribed by law. Once the assessment listing approved, the assessor submits the assessment roll to the parish tax collector who is responsible for collecting and distributing taxes to the various taxing bodies.

At December 31, 1995, there are 18,067 real property and movable property assessments totaling \$89,219,110. This represents an increase of assessments totaling \$709,480 over the prior year.

**AVOYELLES PARISH ASSESSOR
MARKSVILLE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying component unit financial statements of the Avoyelles Parish Assessor have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) was established to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities.

B. REPORTING ENTITY

As the governing authority of the parish, for the purposes, the Avoyelles Parish Police Jury is the financial reporting entity Avoyelles Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financial accountable, and (c) other organizations for which 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. 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

**AVOYELLES PARISH ASSESSOR
MARKSVILLE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

- 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 of one or more of the reasons stated above, the assessor was determined to be a component unit of the Avoyelles Parish Police Jury, the financial reporting unit. The accompanying financial statements present information only on the funds maintained by the assessor and do not present information on the police jury, the general government services provided by the governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The assessor 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 relating to certain government functions or activities.

**AVOUELLES PARISH ASSESSOR
MARKSVILLE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

General Fund

The General Fund, as provide by Louisiana Revised Statue 13:781, is the principal fund of the assessor and is used to account for the operations of the assessor's office. Compensation received from the various taxing bodies is accounted for in this fund. General operating expenditures are paid from this fund.

D. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The governmental fund is accounted for using the modified accrual basis of accounting. The revenues are recognized when they become measurable and available as net current assets. Ad valorem taxes and interest revenues are treated as "susceptible to accrual".

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

**AVOYELLES PARISH ASSESSOR
MARKSVILLE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

E. BUDGET PRACTICES

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the General Fund. All annual appropriations lapse at fiscal year end.

F. ENCUMBRANCES

The Avoyelles Parish Assessor does not use encumbrance accounting.

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 assessor may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

H. PREPAID ITEMS

The Avoyelles Parish Assessor's policy is to expense all items in the period purchased. This policy does not materially misstate the financial statements.

**AVOUELLES PARISH ASSESSOR
MARKSVILLE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

I. FIXED ASSETS

Fixed assets used in the governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, and are recorded as expenditures in the governmental fund when purchased. Fixed assets are valued at historical cost and no depreciation has been provided on the general fixed assets.

The account group is not a "fund". It is concerned only with the measurement of financial position and is not involved with measurement of results of operations.

J. COMPENSATED ABSENCES

Accumulated unpaid vacation is recorded as an expenditure in the period paid. Vacations must be taken in the year earned, therefore, no provision has been made in the financial statements.

The cost of current leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditures in the general fund when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

K. LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from the General Fund are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the general fund when due.

AVOYELLES PARISH ASSESSOR
MARKSVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

L. FUND EQUITY

Reserves

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future time.

Designated Fund Balance

Designated fund balance represents tentative plans for future use of financial resources.

M. TOTAL COLUMNS ON STATEMENTS

The total columns on the statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

2. CHANGES IN GENERAL FIXED ASSETS

Changes in general fixed assets are summarized as follows:

	1995	1994
Balance - beginning	\$100,794	\$99,324
Additions	1,653	1,470
Deletions		
Balance - ending	102,447	100,794
	=====	=====

AVOUELLES PARISH ASSESSOR
MARKSVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

3. CASH AND RELATED INVESTMENTS

At December 31, 1995, the assessor has cash and cash equivalents (book balances) totaling \$329,404 as follows:

Demand Deposits	\$149,404
Time Deposits	<u>180,000</u>
Total	<u>329,404</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 1995, the assessor has \$329,404 in deposits. These deposits are secured from risk by \$280,000 of federal deposit insurance and the remainder is secured by pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the 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 assessor that the fiscal agent has failed to pay deposited funds upon demand.

AVOYELLES PARISH ASSESSOR
MARKSVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

4. PENSION PLAN

Substantially all employees of the Avoyelles Parish Assessor's office are members of the Louisiana Assessors Retirement System, a multiple-employer (cost-sharing), public employee retirement system (PERS), controlled and administered by a separate board of trustees.

All full-time employees who are under the age of 60 at the time of original employment and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 50 with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, not to 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. The System also provides death and disability benefits. Benefits are established by state statute.

Contributions to the system include one-fourth of one per cent of the taxes shown to be collectible by tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. State statute requires covered employees to contribute a percentage of their salaries to the System. 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 year.

**AVOYELLES PARISH ASSESSOR
MARKSVILLE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

The following provides certain disclosures for the assessor and the retirement system that are required by GASB Codification Section P20.129:

Year Ended December 31, 1995

Avoyelles Parish Assessor

Total current year payroll \$229,941

Total current year covered payroll \$221,701

	Required By Statute		Actual	
	Per Cent	Amount	Per Cent	Amount
Contributions:				
Employees	7.00%	\$15,519	7.00%	\$15,519
Employer	5.93%	13,153	5.93%	13,153
Total	12.93%	28,672	12.93%	28,672

	Actuarially Required	
	Per Cent	Amount
Contributions:		
Employees	7.00%	\$15,519
Employer	4.99%	11,063
Total	11.99%	26,582

Per cent of employer's actuarially required contribution to all participating employers 2.5%

AVOYELLES PARISH ASSESSOR
MARKSVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

NOTE 4 - PENSION PLANS (CONTINUED)

Year Ended September 30, 1995

RETIREMENT SYSTEM

Net Assets	\$62,833,256
Pension benefit obligation	<u>(\$97,653,424)</u>
Unfunded pension benefit obligation	<u><u>(\$34,820,168)</u></u>

The pension benefit obligation is presented as of September 30, 1995. The pension benefit obligation is a standardized measure of present value of pension benefits, adjusted for the effects of projected salary increases and step-rated benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERS and employers. The System does not make separate measurements of assets and pension benefits obligations for individual employers.

Historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's September 30, 1995, comprehensive annual financial report. The Avoyelles Parish Assessor does not guarantee the benefits granted by the System.

AVOYELLES PARISH ASSESSOR
MARKSVILLE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

7. EXPENDITURES OF THE ASSESSOR NOT INCLUDED IN THE FINANCIAL STATEMENTS

The Avoyelles Parish Police Jury provided the office space and utilities for the Assessor's office for the year ended December 31, 1995. Expenditures for these items are not reflected in the accompanying financial statements.

8. AD VALOREM TAXES

Ad valorem taxes are levied by October 1 at a rate of 5.57 mills and are due upon receipt of the tax bill and are delinquent if not paid before January 1 of the following year. On January 1, a tax lien attaches on property to secure the payment of all taxes, penalties, and interest ultimately imposed.

**COMPLIANCE REPORT BASED ON AN AUDIT OF COMPONENT
UNIT FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

We have audited the general purpose financial statements of Avoyelles Parish Assessor, Marksville, Louisiana, as of and for the year ended December 31, 1995, and have issued our report thereon dated June 18, 1996.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the component unit financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Avoyelles Parish Assessor, Marksville, Louisiana, is the responsibility of the Assessor's management. As part of obtaining reasonable assurance about whether the component unit financial statements are free of material misstatement, we performed tests of the Assessor's compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our 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 Assessor and Legislative Auditor's office. However, this report is a matter of public record, and its distribution is not limited.

McKee & Associates

Baton Rouge, Louisiana
June 18, 1996

**REPORT ON THE INTERNAL CONTROL STRUCTURE
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

We have audited the general purpose financial statements of Avoyelles Parish Assessor, Marksville, Louisiana, as of and for the year ended December 31, 1995, and have issued our report thereon dated June 18, 1996.

We conducted our 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 we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The Avoyelles Parish Assessor 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 objective 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 component unit 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, projections 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 our audit of the component unit financial statements of the Avoyelles Parish Assessor for the year ended December 31, 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

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

Reportable conditions are included in the attached "Schedule of Internal Control Structure Reportable Conditions".

Our 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 to be material weaknesses as defined above. However, we believe none of the reportable conditions described in the schedule is a material weakness.

This report is intended for the information of the Assessor, and Legislative Auditor's Office. However, this report is a matter of public record, and its distribution is not limited.

McBryde & Associates

Baton Rouge, Louisiana
June 18, 1996

**AVOYELLES PARISH ASSESSOR
MARKSVILLE, LOUISIANA**

SCHEDULE OF INTERNAL CONTROL STRUCTURE REPORTABLE CONDITION
For the Year Ended December 31, 1995

FINDING: Inadequate segregation of duties.

CONDITION: The Assessor's staff is not large enough to permit an adequate segregation of employee duties for effective internal control over the purchasing (invoice approval, processing and general ledger) and reporting (journal entry preparation, approval and recordation) cycles.

CRITERIA: The processing of purchases and journal entries under the control of one person represents a failure to segregate the incompatible accounting activities.

EFFECT: The effect is such that errors, either intentional or unintentional, in the processing of purchases and journal entries could occur and not be detected in a timely manner and in the ordinary course of operations.

CAUSE: The size of the Assessor's staff does not permit an adequate segregation of incompatible duties.

RECOMMENDATION: Due to the its size the Assessor does not have sufficient staff to establish adequate segregation of duties. Therefore, the cost associated with reducing this deficiency in the design or operation of the internal control structure may not be considered justified.

AUDITEE RESPONSE: The Assessor has noted this condition and has determined that the cost necessary to establish adequate segregation of duties is not justifiable at the current time.