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**CLERK OF COURT  
LAFOURCHE PARISH, LOUISIANA**

*Financial Report,  
Internal Control and Compliance Report*

*For the year ended  
June 30, 1999*

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewer, county 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: DEC 2 2 1999



CLARK COUNTY  
LAPOURCHÉ PARISH, LOUISIANA

Financial Report,  
Internal Control and Compliance Report

June 30, 1999

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**CLERK OF COURT  
LAFAYETTE PARISH, LOUISIANA**

**Financial Report,  
Internal Control and Compliance Report**

**June 30, 1999**

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## *FINANCIAL SECTION*



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# STAGNI & COMPANY, LLC

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## INDEPENDENT AUDITOR'S REPORT

Honorable Vernon H. Rodrigue  
Clerk of Court, Lafourche Parish, Louisiana

We have audited the accompanying general-purpose financial statements of the Clerk of Court, Lafourche Parish, Louisiana as of and for the year ended June 30, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Clerk of Court, Lafourche Parish, Louisiana's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 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 Clerk of Court, Lafourche Parish, Louisiana, as of June 30, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated September 13, 1999 on our consideration of the Clerk of Court, Lafourche Parish, Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

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Honorable Warren H. Koshigan  
Clerk of Court, Lafourche Parish, Louisiana  
Page 2

Our audit was conducted for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of the Clerk of Court, Lafourche Parish, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general-purpose financial statements taken as a whole.

*Sigel & Company*

Thibodaux, LA  
September 13, 1999



**CLERK OF COURT  
LAFOURCHE PARISH, LOUISIANA**

Combined Balance Sheet - All Fund Types and Account Classes  
June 30, 1997

	Governmental Fund Type	Proprietary Fund Type	Account Class Fund Types	Total Account and
	<u>General</u>	<u>Special</u>	<u>Fund Types</u>	<u>and</u>
<b>ASSETS:</b>				
CASH IN BANK	\$11,244	\$18,777	\$29,021	\$47,838
Current deposits	48,273	2,888,858	3,371,131	5,290,262
Investments	38,878	-	38,878	77,756
Accounts receivable	60,148	11,884	72,032	111,044
Due from other funds	-	-	-	11,084
Due from State of Louisiana	-	-	-	21,028
Fixed assets	-	-	-	88,278
	<u>11,244</u>	<u>2,907,659</u>	<u>3,371,131</u>	<u>6,420,032</u>
<b>Liabilities</b>				
Accounts payable and accrued expenses	(31,708)	-	(31,708)	(63,416)
Due to other funds	-	-	-	2,488,874
Due to others	(4,214)	-	(4,214)	(8,702)
Compensable absence credits	-	-	-	3,289,474
	<u>14,214</u>	<u>3,489,474</u>	<u>3,503,688</u>	<u>7,007,176</u>
<b>Equity and Other Credits</b>				
Reserve for general fund assets	-	-	-	(81,874)
Fund Balance -	4,400,822	-	4,400,822	8,882,872
Retirement - Unexpended	(3,289,474)	-	(3,289,474)	(6,578,946)
Fund equity and other credits	(8,702)	-	(8,702)	(17,404)
	<u>1,102,646</u>	<u>1,102,646</u>	<u>2,205,292</u>	<u>4,310,538</u>

See Notes to Financial Statements

**CLERK OF COURT  
LAFOURCHE PARISH, LOUISIANA**

Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Governmental Fund Type  
For the year ended June 30, 1999

	Fund Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Salts and accessories transferred from the Advance Deposit Fund	\$600,000	\$740,324	140,324
Recordings	480,000	484,348	4,348
Criminal costs	70,000	70,328	328
Certified copies	170,000	180,843	10,843
Interest earned	80,000	189,842	10,842
Mortgage certification	42,000	43,557	1,557
Court attendance	18,000	19,348	1,348
Calculations	20,000	21,297	1,297
Mortgage licenses	18,000	18,826	826
Notarial fees	4,000	5,775	1,775
Miscellaneous	50,000	29,201	20,799
Total revenues	<u>1,828,000</u>	<u>1,893,347</u>	<u>65,347</u>
<b>Expenditures:</b>			
Current-general government salaries and benefits	862,080	854,853	7,227
Clerk's expense allowance	7,280	7,000	280
Group insurance	129,080	116,736	12,344
Other insurance	28,080	32,489	(4,409)
Office supplies and expense	357,080	328,486	28,594
Automotive	1,880	1,583	297
Telephone	18,080	18,580	(500)
Convention and travel expense	18,080	13,480	4,600
Total current expenditures	<u>1,382,080</u>	<u>1,369,747</u>	<u>12,333</u>
Capital outlay	65,000	68,247	(3,247)
Total expenditures	<u>1,447,080</u>	<u>1,437,994</u>	<u>9,086</u>
Excess (deficiency) of revenue over expenditures	71,860	258,146	186,286
<b>FUND BALANCE:</b>			
Beginning of year	1,808,384	1,123,681	684,703
End of year	<u>\$1,736,524</u>	<u>\$1,381,827</u>	<u>\$354,697</u>

See Notes to Financial Statements



**CLERK OF COURT  
LAFOURCHE PARISH, LOUISIANA**

Notes to Financial Statements  
June 30, 1999

*Note 1      Summary of Significant Accounting Policies*

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

**A.      Reporting Entity**

The GASB has established several criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Since, the Clerk of Court, Lafourche Parish, Louisiana (Clerk of Court) is an independently elected official, and is legally separate and fiscally independent, the Clerk of Court, Lafourche Parish, Louisiana is a separate governmental reporting entity. There are unrecorded financial transactions between the Lafourche Parish Council (the Council) and the Clerk of Court, Lafourche Parish, Louisiana where the Council provides office space and utilities for the Clerk of Court.

Financial accountability is determined by applying criteria established by the GASB as listed below:

- Financial benefit or burden
- Appointment of a voting majority
- Impairment of will
- Fiscally dependent

The above identified transactions between the Clerk of Court and the Parish Council are mandated by state statute and do not reflect fiscal dependency; thereby, they do not reflect financial accountability. The other three criteria of financial accountability do not pertain to the Clerk of Court, Lafourche Parish, Louisiana when applying them as a means of identifying potential component units of the Lafourche Parish Council.

**CLERK OF COURT  
LAFOURCHE PARISH, LOUISIANA**

Notes to Financial Statements (Continued)  
June 30, 1999

*Note 1*      **Summary of Significant Accounting Policies (Continued)**

**A. Reporting Entity (Continued)**

The Clerk of Court includes all funds, account groups and activities, in other, that are within the oversight responsibility of the Clerk of Court. Other local governmental units over which the Clerk of Court exercises no oversight responsibility are excluded from the accompanying financial statements. These units are considered separate reporting entities and issue financial statements separate from those of the parish Clerk of Court.

**B. Fund Accounting**

The accounts of the Clerk of Court are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid financial management by aggregating transactions related to certain government functions or activities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures. 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. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types". The funds presented in the accompanying financial statements are described as follows:

**Governmental funds** are used to account for all or most of a government's general activities.

**General Fund (Salary)** - The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Clerk of Court and is used to account for the operations of the Clerk's office. The various fees and charges to the Clerk's office are paid from this fund.

**Fiduciary Funds** are used to account for assets held on behalf of outside parties, including other governments or on behalf of other funds within the government.

**CLERK OF COURT  
LAFOURCHE PARISH, LOUISIANA**

Notes to Financial Statements (Continued)  
June 30, 1999

*Note F*      **Summary of Significant Accounting Policies (Continued)**

**B.      Fund Accounting (Continued)**

**Agency Funds** - The *Advance Deposit* and *Registry of Court* Agency Funds are used to account for assets as an agent for individuals, or others. Agency Funds are custodial in nature and do not involve measurements of results of operations.

The **Account Group** is not a "fund". It is concerned with only the measurement of financial position, not with the measurement of results of operations. The account group presented in the accompanying financial statements is described as follows:

**General Fixed Asset Account Group** - This group of accounts is established to account for all fixed assets of the Clerk of Court, Lafourche Parish, Louisiana.

**C.      Basis of Accounting**

The accounting and 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 of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All governmental fund types and 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 be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred.

**CLERK OF COURT  
LAFOURCHE PARISH, LOUISIANA**

Notes to Financial Statements (Continued)  
June 30, 1999

*Note 1*      Summary of Significant Accounting Policies (Continued)

C.      Basis of Accounting (Continued)

Revenues -

Recordings, consultations, court attendance, criminal costs, etc. are recorded in the year in which the service is performed.

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

Substantially all other revenues are recorded when received.

Expenditures -

Under the modified accrual basis of accounting, expenditures are generally recognized when the related liability is incurred.

D.      Budgetary Practices

The Clerk of Court annually adopts a budget for the General Fund. The budgetary practices include public notice of the proposed budget, public inspection of the proposed budget and public hearings on the budget. Any amendments to the budget are published in the Clerk of Court's official journal. Budgetary integration is employed as a management tool.

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting is not utilized in the funds of the Clerk of Court.

E.      Cash and Deposits

Cash in bank includes amounts in demand deposits as well as investments. Under state law, the Clerk may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana. The Clerk may invest in United States bonds, treasury notes or bills, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

**CLERK OF COURT  
LAFOURCHE PARISH, LOUISIANA**

Notes to Financial Statements (Continued)  
June 30, 1999

*Note 1*      Summary of Significant Accounting Policies (Continued)

F.      Fixed Assets

General fixed assets used in governmental fund type operations are reported in the General Fixed Asset Account Group, rather than capitalized in the General Fund. Purchased fixed assets are valued at historical cost or estimated historical cost if historical cost is not available. No depreciation has been provided on general fixed assets.

G.      Compensated Absences

Employees receive two weeks of vacation leave each year after one year of service. Vacation leave cannot be accumulated. Employees receive 12 days of sick leave for each year of service. The Clerk of Court allows a maximum of 30 or 15 days of unused sick leave to accumulate, depending upon the date of hire and if the employee meets the requirements of a grandfather clause. Accumulated sick leave is paid upon separation of employment.

The current portion (if) of accrued accumulated sick leave, in accordance with the provisions of Statement of Financial Accounting Standards No. 45, *Accounting for Compensated Absences*, has been recorded in the General Fund as a current expenditure and liability. This amount (\$54,219) represents the dollar value of accrued time during the year that would normally be liquidated with expendable available financial resources of the Clerk's office.

H.      Total Memorandum Only Columns on Combined Statements

Total columns on the combined statements are captured memorandum only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in 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.

**CLERK OF COURT  
LAFOURCHE PARISH, LOUISIANA**

Notes to Financial Statements (Continued)  
June 30, 1999

**Note 2**      Deposits and Investments

Deposits:

The Clerk of Court may deposit funds with a fiscal agent bank organized under the laws of the State of Louisiana. The Clerk of Court may also invest in time deposits or certificates of deposits of state banks organized under Louisiana law and national banks having principle offices in Louisiana.

At June 30, 1999, the Clerk has cash in banks totaling \$ 4,039,755 as follows:

Bank One, Louisiana	\$ 418,687
Community Bank of Lafourche	68,713
First American Bank	62,808
Gulfport National Bank	2,601,142
South Lafourche Bank and Trust	342,358
State Bank and Trust	304,851
Wibaux National Bank	88,755
Union Planters Bank	362,354
<b>TOTAL</b>	<b>\$ 4,039,755</b>

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. Obligations of the United States, the State of Louisiana, and certain political subdivisions are allowed as security for deposits. 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.

**CLERK OF COURT  
LAFOURCHE PARISH, LOUISIANA**

Notes to Financial Statements (Continued)  
June 30, 1999

**Note 2**      Deposits and Investments (Continued)

Under the provisions of the GASB, pledged securities, which are not in the name of the governmental unit, are considered uncollateralized.

Deposit book balance	\$ 3,974,942
Bank balance of deposits	4,038,755
Portion insured by Federal deposit insurance	818,748
Pledged securities	4,753,888
Amount unsecured	NONE

Even though the pledged securities are considered uncollateralized 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 90 days of being notified by the Clerk that the fiscal agent has failed to pay deposited funds upon demand.

**Note 3**      General Fixed Assets

A summary of changes in the general fixed assets account group follows:

	Automobiles	Office Equipment	TOTALS
Balance June 30, 1998	\$23,750	\$485,967	\$519,717
Additions	0	61,399	61,399
Retirements	0	0	0
Balance June 30, 1999	\$23,750	\$547,366	\$571,116

**CLERK OF COURT  
LAFOURCHE PARISH, LOUISIANA**

*Notes to Financial Statements (Continued)*  
June 30, 1999

**Note 4**      *Accounts Payable*

The balances due to/from Salary Fund and Advance Costs are as follows for June 30, 1999:

Salary Fund	
Due from advanced cost	\$ 661,416
Advanced Cost	
Due to salary fund	\$ 661,416

**Note 5**      *Accounts Receivable*

Accounts receivable at June 30, 1999 represent amounts charged by customers for recordings, copies and miscellaneous other revenues due to the Clerk in the amount of \$ 20,819. The Clerk does not write off receivables, consequently no provision for uncollectible accounts has been provided.

**Note 6**      *Employer Retirement System*

Substantially all employees of the Clerk's office are members of the Louisiana Clerks of Court Retirement and Relief Fund ("System"), a multiple-employer public employee retirement system (PERS). The System is a statewide public retirement system for the benefit of clerks and their staffs, which is administered and controlled by a separate board of trustees. Contributions of participating clerks are pooled within the System to fund accrued benefits, with contribution rates approved by the Louisiana Legislature.



**CLERK OF COURT  
LAFOURCHE PARISH, LOUISIANA**

Notes to Financial Statements (Continued)  
June 30, 1999

**Note 6**      ***Employer Retirement System (Continued)***

The Clerk's total payroll was \$854,863. The payroll for the Clerk's employees covered by the retirement system was \$678,884. Generally, all regular employees earning a minimum of \$2000 per month and who are under the age of 68 are eligible to participate in the System. Benefits vest with 12 years of service. At retirement age, employees are entitled to annual benefits equal to three percent of their highest paid three (3) year average salary for each year of credited service. Vested employees may retire at age 55 with a minimum of 12 years of credited service. The System also provides death and disability benefits. Benefits are established by state statute.

The Louisiana Clerks of Court Retirement and Relief Fund issues publicly available financial reports that includes financial statements and acquired supplementary information for the Clerks of Court Retirement & Relief Fund. That report may be obtained by writing to The Louisiana Clerk's of Court Retirement & Relief Fund, 11745 Bridgeway Avenue, Suite B-1, Baton Rouge, Louisiana, 70816 or by calling (504) 283-1162 or 1-800-250-6660.

In addition to a portion of the parish's ad valorem and state revenue during that are committed to the System (which constitute major funding of the System), covered employees are required by state statute to contribute 8- 1/4 percent of gross salary, to which the Clerk of Court adds a 10 percent contribution as an employer's match.

The LaFourche Parish Clerk's contribution for the years ended June 30, 1996, 1998, and 1997 were \$78,774 (10% of covered payroll), \$67,193 (10% of covered payroll), and \$21,744 (1.1% of covered payroll), respectively which were equal to the required contributions for each year.

**Note 7**      ***Expenses of the Clerk of Court Paid by the Parish Council***

Certain operating expenses of the Clerk's office are paid by the Parish Council. At June 30, 1999, these consist of utilities for the building where the Clerk's office is located. The amount of the utilities paid by the Parish Council is indeterminate.

**CLERK OF COURT  
LAFOURCHIE PARISH, LOUISIANA**

Notes to Financial Statements (Continued)  
June 30, 1999

**Note 8**      **Post-retirement Benefits**

The Clerk of Court, Lafourche Parish, Louisiana 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 by the Clerk of Court. The Clerk of Court recognizes the cost of providing these benefits (i.e. Clerk's portion of premiums) as an expenditure when the monthly premiums are due. For the year ended June 30, 1999, the cost of these benefits for six retirees totaled \$8,119.

**Note 9**      **Operating Lease**

The Clerk of Court entered into an operating lease with the Town of Lakeport for office space on July 1, 1997. This lease provides for monthly payments of \$173.25. The lease term is four years with an option to renew for another four-year term.

**Note 10**     **Auto Management**

**GENERAL LIABILITY INSURANCE**

The Clerk of Court is exposed to various risks of loss related to tort, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk of Court purchases the following commercial insurance policies for any and all claims relating to the above types of risks:

**CLERK OF COURT  
LAFOURCHE PARISH, LOUISIANA**

Notes to Financial Statements (Continued)  
June 30, 1999

**Note 18 Risk Management (Continued)**

TYPE OF INSURANCE	LIMITS	DEDUCTIBLE
Errors & Omissions	\$1,000,000	\$5,000
Auto Liability	Uninsured motorist - \$500,000	\$500
	Liability - \$500,000	\$250
	Medical payments - \$5,000	
General Liability	\$500,000/occurrence	\$500
	\$500,000/annual	
Official Bond & Cash Bond	\$ 10,000	NONE
Public Employees Disability Bond	\$5,000	NONE
Worker's Compensation	\$100,000/occurrence	NONE
	\$500,000/loss	

The Clerk's payment of the deductible is the only liability associated with his general liability insurance.

Claims have not exceeded insurance coverage in any of the past three years.

**HEALTH INSURANCE**

The Clerk of Court provides health and life insurance to his employees through the Louisiana Clerk of Court Association. Under this insurance program, the Clerk pays initial premiums based on the level of the employee's participation and has no further liabilities on any claims.

**CLERK OF COURT  
LAFOURCHE PARISH, LOUISIANA**

*Notes to Financial Statements (Continued)*  
*June 30, 1999*

*Note 28*                    *Risk Management (Continued)*

**UNEMPLOYMENT COMPENSATION**

The Clerk of Court funds its unemployment claims through the State of Louisiana Office of Employment Security. Each quarter the Clerk submits a report of wages paid and pays .21% of taxable wages as an unemployment tax to the Office of Employment Security. Besides the unemployment tax, the Clerk has no further liability associated with unemployment claims.

*Note 27*                    *Purchase Commitments*

On May 18, 1999, the Clerk of Court, Lafourche Parish, Louisiana signed an agreement with Software and Services, Inc. to upgrade their computer equipment to bring it into compliance for Year 2000 at a cost of \$67,858. This work had not been performed nor had any payments on this contract been made as of June 30, 1999.

***SUPPLEMENTAL INFORMATION***

### AGENCY FUNDS

Agency Funds are used to account for assets held by the Clerk of Court as an agent for individuals, private organizations, other governments, and/or other funds.

#### Advance Deposit Fund

The Advance Deposit Fund, as provided by Louisiana Revised Statute 13:842, is used to account 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, is used to account for funds which have been ordered by the court to be held until judgment has been rendered in court litigation. Withdrawals of the funds can be made only upon order of the court.

**CLERK OF COURT  
LAFOURCHE PARISH, LOUISIANA**

Agency Funds  
Containing Balance Sheet  
June 30, 1999

	Advance Deposit Fund	Registry of the Court Fund	Total
<b>Assets</b>			
Cash in banks:			
Demand deposits	\$143,000	\$24,852	\$167,852
Investments	1,704,287	1,240,428	2,944,715
Due from State of Louisiana	11,084		11,084
Total assets	\$1,818,289	\$1,241,281	\$3,059,480
<b>Liabilities</b>			
Due to salary fund	\$801,476		\$801,476
Due to others	1,257,782	\$1,241,281	2,499,054
Total liabilities	\$1,818,289	\$1,241,281	\$3,059,480

**CLERK OF COURT  
LAFOURCHE PARISH, LOUISIANA**

Agency Funds  
Comparing Schedule of Changes in Unsettled Deposits  
For the Year ended June 30, 1989

	Advance Deposit	Registry	Totals
Unsettled Deposits at July 1, 1988	\$ 1,983,379	\$ 1,828,324	\$ 3,811,703
<b>Additions:</b>			
Deposits:			
Suits and successions	1,428,070		1,428,070
Judgements		598,525	598,525
Interest earned on investments		38,183	38,183
Total additions	<u>1,428,070</u>	<u>636,708</u>	<u>2,064,778</u>
Total	<u>2,812,187</u>	<u>1,804,333</u>	<u>4,616,520</u>
<b>Reductions:</b>			
Clerk's costs (transferred to General Fund)	688,894	2,581	691,475
Settlements to litigants	328,848	738,081	1,066,929
Attorney, commissioner, stenographer, and notary fees	35,578		35,578
Witnesses, jury, appeals and judicial expense	57,832		57,832
Judge's Supplemental Fund	43,588		43,588
Sheriff's fees	191,185		191,185
DJI Support disbursement	61,432		61,432
Other reductions	52,861		52,861
Total reductions	<u>1,354,464</u>	<u>738,662</u>	<u>2,093,126</u>
Unsettled deposits at June 30, 1989	<u>\$ 1,262,793</u>	<u>\$ 1,241,381</u>	<u>\$ 2,504,174</u>



**CLERK OF COURT  
LAFAYETTE PARISH, LOUISIANA**

**Year 2000 Disclosure**

For the year ended June 30, 1999

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the government's operations as early as fiscal year 1999.

The Clerk of Court, Lafayette Parish, Louisiana has completed an inventory of computer systems and other electronic equipment that may be affected by the Year 2000 issue and that are necessary to conducting operations and has identified such systems as follows:

- The payroll, accounts payable, fixed asset, registry, advanced cost and general ledger systems have been completed and are being implemented.
- The other electronic equipment (telephones, faxes, etc) are currently being assessed.

The 1999-2000 Clerk of Court, Lafayette Parish, Louisiana budget includes \$67,034 to address the Year 2000 issue. The administration intends to make available the necessary resources to achieve compliance of the Year 2000 issue.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that the Clerk of Court, Lafayette Parish, Louisiana is or will be Year 2000 ready, that the Clerk of Court, Lafayette Parish, Louisiana's remediation efforts will be successful in whole or in part, or that parties with whom the Clerk of Court does business will be Year 2000 ready.

*INTERNAL CONTROL*  
*AND*  
*COMPLIANCE SECTION*



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# STAGNI & COMPANY, LLC

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## REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Vernon Rodrigue  
Clerk of Court, Lafourche Parish, Louisiana

We have audited the general-purpose financial statements of the Clerk of Court, Lafourche Parish, Louisiana as of and for the year ended June 30, 1999 and have issued our report thereon dated September 13, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### **Compliance**

As part of obtaining reasonable assurance about whether the Clerk of Court, Lafourche Parish, Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* which is described in the accompany schedule of findings and questioned costs as item 1909-1.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Clerk of Court, Lafourche Parish, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a 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 and 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

To the Clerk of Court, Lafourche Parish, Louisiana  
Page 2

This report is intended for the information of management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

*Stacy & Company*

Thibodaux, Louisiana  
September 13, 1999



**CLERK OF COURT**  
**LAFOURCHE PARISH, LOUISIANA**  
Summary Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 1999

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the general-purpose financial statements of the Clerk of Court, Lafourche Parish, Louisiana.
2. No reportable conditions relating to the audit of the financial statements are reported in the Report on Compliance and Internal Control over Financial Reporting Based on an Audit of Financial Statements in Accordance with Government Auditing Standards.
3. An instance of noncompliance 1999-1 material to the financial statements of the Clerk of Court, Lafourche Parish, Louisiana is reported in the Report on Compliance and Internal Control over Financial Reporting Based on an Audit of Financial Statements in Accordance with Government Auditing Standards.
4. A management letter was not issued in connection with the audit of the financial statements.

**B. FINDINGS - FINANCIAL STATEMENT AUDIT**

**1999-1 COLLATERAL PLEDGED**

**CRITERIA-** The amount of collateralized securities should at all times be equal to 100% of collateral funds on deposit of each depositing authority except that portion of deposits insured by FDIC.

**CONDITION FOUND-** Although at June 30, 1999 the total collateral on all of the Clerk of Court's deposits from all depositing authorities were adequate, Ibernia Bank was not adequately collateralized.

**EFFECT-** At June 30, 1999, Ibernia National Bank held \$2,681,142 of the Clerk of Court's total deposits. Also at June 30, 1999, Ibernia National Bank had \$2,424,169 of collateral (including TMC) pledged against these deposits leaving \$176,973 of deposits uncollateralized.

**CAUSE-** When monitoring the collateral held on deposits by the bank to determine if they were adequately pledged, the Clerk of Court uses book balances and the par value of the securities instead of bank balances and the market value of the securities.

**QUESTIONED COSTS-** None.

**RECOMMENDATIONS-** We recommend that the Clerk of Court use the bank balances and market value of the securities during their monitoring process.

**CLERK OF COURT  
LAFOURCHE PARISH, LOUISIANA**  
Management's Corrective Action Plan  
For the Year Ended June 30, 1999

<b>SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS</b>	
1999-1 Collateral Pledge	The Clerk of Court, Lafourche Parish, will begin using bank balances when monitoring the collateral held on our deposits. We also plan to require the bank to send market values of the securities that are pledged for us on a timely basis so that we may use them in our monitoring process. Upon learning that we were undercollateralized with Ibernia Bank, we contacted them to determine why they had not acquired enough security for our deposits. We learned that Ibernia Bank failed to recognize a \$500,000 Certificate of Deposit that we had on deposit with them as of June 30, 1999.
<b>SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS</b>	
NOT APPLICABLE	
<b>SECTION III - MANAGEMENT LETTER</b>	
NOT APPLICABLE	