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**VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana**

Financial Report

For The Years Ended June 30, 1998 and 1997

Under provisions of state law, this report is a public document. A copy of the report is submitted to the Legislative Council, entities, and other public officials. This 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 ~~FEB 24~~ 1999

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Darnall, Sikes Frederick

(A Corporation of Certified Public Accountants)

INDEPENDENT AUDITOR'S REPORT

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Honorable Sammy Theriot
Vermilion Parish Clerk of Court
Abbeville, Louisiana 70511

We have audited the accompanying general purpose financial statements of the Vermilion Parish Clerk of Court (Clerk), a component unit of the Vermilion Parish Police Jury, as of June 30, 1998, and for the years ended June 30, 1998 and 1997. These general purpose financial statements are the responsibility of the Clerk. Our responsibility is to express an opinion on these general purpose financial statements based on our audits.

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Except as discussed in the following paragraph, we conducted our audits 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 audits provide a reasonable basis for our opinion.

The Vermilion Parish Clerk of Court has not reconciled certain individual suit docket balances in the Advance Deposit Agency Funds at June 30, 1998. Because the Clerk of Court has not reconciled these balances, it was not practical for us to determine the amount of fees, if any, due to litigants from the Advance Deposit Agency Funds or the amount due to the General Fund from the Advance Deposit Agency Funds at June 30, 1998, for fees earned resulting from suit activity. The effects of not reconciling these balances on the financial statements cannot be reasonably determined.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the Clerk of Court reconciled the suits accounted for in the Advance Deposit Agency Funds, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Vermilion Parish Clerk of Court, as of June 30, 1998, and the results of its operations for the two years then ended, in conformity with generally accepted accounting principles.

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

In accordance with Government Auditing Standards, we have also issued a report dated December 4, 1998, on our consideration of the Clerk's internal control structure over financial reporting and our tests of its compliance with certain provisions of laws and regulations.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the Vermilion Parish Clerk of Court taken as a whole. The supplemental information listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements of the Vermilion Parish Clerk of Court. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and in our opinion, except for the effects of not reconciling certain individual suit dockets in the Advance Deposit Agency Fund, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Dannall, Sikes & Frederick

A Corporation of Certified Public Accountants

Abbeville, Louisiana

December 4, 1998

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VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

All Fund Types and Account Groups

Combined Balance Sheet
June 30, 1998

	Governmental Fund Type General Fund	Fiduciary Fund Type Agency Fund
ASSETS AND OTHER DEBITS		
Cash and cash equivalents	\$ 449,446	\$ 877,469
Receivables	41,280	-
Due from other funds	-	49,613
Prepaid expenditures	8,942	-
Fixed assets	-	-
Amount to be provided for capital leases	-	-
	\$ 499,668	\$ 927,082
LIABILITIES, EQUITY AND OTHER CREDITS		
Liabilities		
Accounts payable	\$ 33,340	\$ -
Payroll taxes payable	16,742	-
Due to others	3,323	-
Due to other funds	49,613	-
Capital leases payable	-	-
Unsettled balances	-	927,082
Total liabilities	103,018	927,082
Equity and Other Credits		
Investments in general fixed assets	-	-
Fund Balance -		
Unreserved - undesignated	387,708	-
Reserved - prepaid expenses	8,942	-
Total equity and other credits	396,650	-
	\$ 499,668	\$ 927,082

The accompanying notes constitute an integral part of this statement.

Accounts Group		Total (Memorandum Only)
General Fixed Assets	General Long-Term Debt	
\$ -	\$ -	\$ 1,326,915
-	-	41,280
-	-	49,613
-	-	8,942
637,917	-	637,917
<u>-</u>	<u>86,130</u>	<u>86,130</u>
<u>\$637,917</u>	<u>\$ 86,130</u>	<u>\$ 2,150,797</u>
\$ -	\$ -	\$ 33,340
-	-	16,742
-	-	3,323
-	-	49,613
-	86,130	86,130
<u>-</u>	<u>-</u>	<u>927,082</u>
<u>-</u>	<u>86,130</u>	<u>1,116,230</u>
637,917	-	637,917
-	-	-
-	-	387,708
-	-	8,942
<u>637,917</u>	<u>-</u>	<u>1,034,567</u>
<u>\$637,917</u>	<u>\$ 86,130</u>	<u>\$ 2,150,797</u>

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

General Fund

Statements of Revenues, Expenditures and Changes in Fund Balance
For the Years Ended June 30, 1998 and 1997

	1998	1997
REVENUES		
Fees and services	\$ 1,075,512	\$ 1,108,269
Investment earnings	16,172	10,925
Miscellaneous	<u>12,675</u>	<u>752</u>
Total revenues	<u>1,104,359</u>	<u>1,119,946</u>
 EXPENDITURES		
Current -		
Salaries	596,624	578,719
Employee benefits	136,353	151,962
Insurance	13,722	12,080
Operation and maintenance	135,742	117,241
Advertising	30	2,692
Automobile	10,383	10,089
Professional services	12,607	9,150
Miscellaneous	28,762	41,359
Capital expenditures -		
Capital outlays	28,737	85,450
Capital leases	7,346	9,921
Debt service -		
Principal	35,410	29,647
Interest	<u>11,810</u>	<u>10,793</u>
Total expenditures	<u>1,017,526</u>	<u>1,059,103</u>
Excess of revenues over expenditures	<u>86,833</u>	<u>60,843</u>
 Other financing sources:		
Capital leases	7,346	63,269
Intergovernmental transfers	<u>48,500</u>	<u>-</u>
Total other financing sources	<u>55,846</u>	<u>63,269</u>
Excess of revenues and other financing sources over expenditures	142,679	124,112
 Fund balance, beginning	<u>253,971</u>	<u>129,859</u>
 Fund balance, ending	<u>\$ 396,650</u>	<u>\$ 253,971</u>

The accompanying notes constitute an integral part of this statement.

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VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

General Fund

Combined Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Years Ended June 30, 1998 and 1997

	1998		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Fees and services	\$ 1,010,810	\$ 1,075,512	\$ 64,702
Investment earnings	13,710	16,172	2,462
Miscellaneous	<u>12,950</u>	<u>12,675</u>	<u>(275)</u>
Total revenues	<u>1,037,470</u>	<u>1,104,359</u>	<u>66,889</u>
EXPENDITURES			
Current -			
Salaries	594,475	596,624	(2,149)
Employee benefits	120,800	136,353	(15,553)
Insurance	16,000	13,722	2,278
Operation and maintenance	110,643	135,742	(25,099)
Advertising	-	30	(30)
Automobile	12,371	10,383	1,988
Professional services	12,000	12,607	(607)
Miscellaneous	28,000	28,762	(762)
Capital expenditures -			
Capital outlays	18,203	28,737	(10,534)
Capital leases	-	7,346	(7,346)
Debt service -			
Principal	37,300	35,410	1,890
Interest	<u>10,200</u>	<u>11,810</u>	<u>(1,610)</u>
Total expenditures	<u>959,992</u>	<u>1,017,526</u>	<u>(57,534)</u>
Excess of revenues over expenditures	<u>77,478</u>	<u>86,833</u>	<u>9,355</u>
Other financing sources:			
Capital leases	64,000	7,346	(56,654)
Intergovernmental transfers	<u>-</u>	<u>48,500</u>	<u>48,500</u>
Total other financing sources	<u>64,000</u>	<u>55,846</u>	<u>(8,154)</u>
Excess of revenues and other financing sources over expenditures	141,478	142,679	1,201
Fund balance, beginning	<u>253,971</u>	<u>253,971</u>	<u>-</u>
Fund balance, ending	<u>\$ 395,449</u>	<u>\$ 396,650</u>	<u>\$ 1,201</u>

The accompanying notes constitute an integral part of this statement.

1997		
Budget	Actual	Variance Favorable (Unfavorable)
\$1,102,900	\$1,108,269	\$ 5,369
10,600	10,925	325
800	752	(48)
<u>1,114,300</u>	<u>1,119,946</u>	<u>5,646</u>
578,100	578,719	(619)
146,800	151,962	(5,162)
13,475	12,080	1,395
118,930	117,241	1,689
3,950	2,692	1,258
10,750	10,089	661
9,150	9,150	-
41,922	41,359	563
82,000	85,450	(3,450)
9,921	9,921	-
30,200	29,647	553
10,875	10,793	82
<u>1,056,073</u>	<u>1,059,103</u>	<u>(3,030)</u>
<u>58,227</u>	<u>60,843</u>	<u>2,616</u>
63,569	63,269	(300)
<u>63,569</u>	<u>63,269</u>	<u>(300)</u>
121,796	124,112	2,316
<u>129,859</u>	<u>129,859</u>	<u>-</u>
<u>\$ 251,655</u>	<u>\$ 253,971</u>	<u>\$ 2,316</u>

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

Notes to Financial Statements

INTRODUCTION

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

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

B. Reporting Entity

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

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

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

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Because the Police Jury provides the Clerk of Court with office space and major capital purchases, the Clerk of Court was determined to be a component unit of the Vermilion Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Clerk of Court and do not present information on the Police Jury, the general government services provided by that governmental unit, or other governmental units that comprise the financial reporting entity.

C. Fund Accounting

The Clerk of Court 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.

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.

Funds of the Clerk of Court are classified into two categories: governmental (General Fund) and fiduciary (Agency Funds). These funds are described as follows:

General Fund

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

Agency Funds

The Advance Deposit and Registry of Court Agency Funds account for assets held as an agent for others. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 funds are accounted for using a flow of current financial resources measurement focus. The accompanying general purpose financial statements have been prepared on the modified accrual basis of accounting. The governmental fund uses the following practices in recording revenues and expenditures:

Revenues

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. All major revenues are susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which is recognized when due.

E. Budget Practices

The proposed budget for the fiscal year is made available for public inspection at the Clerk's office in June of the preceding year. The proposed budget, prepared on the modified accrual basis of accounting, was published in the official journal before the public hearing. The budget is legally adopted and amended, as necessary, by the Clerk. All appropriations lapse at year end. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

F. Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is not employed by the Clerk.

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Cash and Cash Equivalents Investments

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Clerk of Court may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Under state law, the Clerk of Court may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. The Clerk's investments consist of certificates of deposit which are stated at cost.

H. Fixed Assets

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized (reported) in the general fixed assets account group. General fixed assets provided by the parish Police Jury are not recorded within the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available. Estimated amounts are immaterial in relation to total fixed assets.

I. Compensated Absences

Employees of the Clerk's office earn seventeen days of annual leave per calendar year. Employees are allowed to carryover no more than 10 days of annual leave to the following year.

Due to the uncertainty of the actual amounts which will be paid for annual leave, no accruals have been made for such absences.

J. Long-Term Obligations

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

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Bad Debts

Uncollectible amounts due for various fee receivables are recognized as bad debts by direct write-off at the time information becomes available which would indicate the uncollectibility of the particular receivable. Although the specific charge-off method is not in conformity with generally accepted accounting principles (GAAP), no allowance for uncollectible receivables was made due to immateriality.

L. Total Columns on Statements

Total columns on the financial 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. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2 CASH AND CASH EQUIVALENTS

At June 30, 1998, the Clerk of Court has cash and cash equivalents (book balances) totaling \$1,326,915 as follows:

	<u>Governmental Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Total</u>
Cash on hand	\$ 375	\$ -	\$ 375
Demand deposits	8,852	2,845	11,697
Money market accounts and savings accounts	<u>440,219</u>	<u>874,624</u>	<u>1,314,843</u>
Total	<u>\$ 449,446</u>	<u>\$ 877,469</u>	<u>\$ 1,326,915</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 bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 1998, the clerk has \$1,392,290 in deposits (bank balances). These deposits are secured by \$500,000 of federal deposit insurance and \$1,655,977 of pledged securities held by the custodial banks in the name of the fiscal agent bank (GASB Category 3).

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

Notes to Financial Statements

NOTE 2 CASH AND CASH EQUIVALENTS (CONTINUED)

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 Clerk of Court that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3 INTERFUND RECEIVABLES AND PAYABLES

	Interfund Receivables	Interfund Payables
General Fund	\$ -	\$ 49,613
Advanced Deposit Fund	<u>49,613</u>	<u>-</u>
	<u>\$ 49,613</u>	<u>\$ 49,613</u>

NOTE 4 CHANGES IN GENERAL FIXED ASSETS

The following is a summary of changes in the General Fixed Assets Account Group for the fiscal year ended June 30, 1998.

	Balance 6/30/97	Additions	Deductions	Balance 6/30/98
Communication Equipment	\$ 2,384	\$ -	\$ -	\$ 2,384
Computer Equipment	203,103	26,802	12,562	217,343
Microfilm	197,164	-	18,246	178,918
Office	250,872	1,935	13,961	238,846
Education Equipment	<u>426</u>	<u>-</u>	<u>-</u>	<u>426</u>
Total	<u>\$ 653,949</u>	<u>\$ 28,737</u>	<u>\$ 44,769</u>	<u>\$ 637,917</u>

Included in the above ending balance at June 30, 1998 are assets currently under capital leases, as follows:

Computer Equipment	\$ 109,253
Microfilm Equipment	6,057
Office Equipment	<u>7,346</u>
	<u>\$ 122,656</u>

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

Notes to Financial Statements

NOTE 5 PENSION PLAN

Plan Description. The Vermilion Parish Clerk of Court contributes to the Clerk of Court Retirement and Relief Fund (Retirement System), a cost-sharing multiple employer defined benefit pension plan administered by the Clerk of Court Retirement and Relief Fund, a public corporation created in accordance with the provisions of Louisiana Revised Statute 11:1501 – 1540 to provide retirement, disability and survivor benefits to members throughout the State of Louisiana. The Clerk of Court Retirement and Relief Fund issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Clerk of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B-1, Baton Rouge, Louisiana 70816.

Funding Policy. Plan members are required to contribute 8.25% of their annual covered salary and the Vermilion Parish Clerk of Court is required to contribute at an actuarially determined rate, currently, 10.0% of annual covered payroll. The contribution requirements of plan members and the Vermilion Parish Clerk of Court are established and may be amended by the Clerk of Court Retirement and Relief Fund. The Vermilion Parish Clerk of Court's contributions to the Retirement System for the years ended June 30, 1998, 1997, and 1996 were \$56,093, \$62,078 and \$65,537, respectively.

NOTE 6 POST RETIREMENT BENEFITS

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

NOTE 7 LEASES

The Clerk is obligated under certain leases accounted for as capital leases. The leased assets and related obligations are accounted for in the General Fixed Assets Account Group and the General Long Term Debt Account Group, respectively. Assets under capital leases totaled \$ 122,656 at June 30, 1998. The following is a schedule of future minimum lease payments under capital leases, together with the net present value of the minimum lease payment as of June 30, 1998.

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

Notes to Financial Statements

NOTE 7 LEASES (CONTINUED)

Long-Term Debt Payable (capital lease) at June 30, 1997	\$ 115,310
Additional debt acquired	7,346
Debt retired - General fund	<u>36,526</u>
Long-Term Debt Payable (capital leases) at June 30, 1998	<u>\$ 86,130</u>

The Clerk is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and the results of the lease agreements are not reflected in the Clerk's account groups.

NOTE 8 CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund unsettled deposits follows:

	Unsettled Deposits at Beginning of Year	Additions	Reductions	Unsettled Deposits at End of Year
Agency Funds:				
Advance Deposit	\$ 352,530	\$ 725,914	\$ 760,741	\$ 317,703
Registry of Court	<u>1,354,129</u>	<u>307,088</u>	<u>1,051,838</u>	<u>609,379</u>
Total	<u>\$ 1,706,659</u>	<u>\$ 1,033,002</u>	<u>\$ 1,812,579</u>	<u>\$ 927,082</u>

NOTE 9 CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of general long-term debt transactions for the year ended June 30, 1998.

Year Ending June 30,	
1999	\$ 87,308
2000	2,989
2001	<u>747</u>
Total Minimum Lease Payments	91,044
Less: Amount representing interest at the incremental borrowing rate of interest	<u>4,914</u>
Present value of minimum capital lease payments	<u>\$ 86,130</u>

VERMILION PARISH SCHOOL BOARD
Abbeville, Louisiana

Notes to Financial Statements

NOTE 10 LITIGATION

There is no litigation pending against the Clerk at June 30, 1998.

NOTE 11 EXPENDITURES OF THE CLERK OF COURT PAID BY THE PARISH POLICE JURY

Certain operating expenditures of the Clerk's office are paid by the Vermilion Parish Police Jury and are not included in the accompanying financial statements. These expenditures are summarized as follows:

	<u>1998</u>	<u>1997</u>
Book binding	\$ 18,642	\$ 25,788
Supplies - Microfilm	2,991	6,072
Supplies - Office	753	1,945
Rental - Equipment	11,277	25,842
Maintenance - Equipment	<u>11,177</u>	<u>9,000</u>
	<u>\$ 44,840</u>	<u>\$ 68,647</u>

NOTE 12 EXCESS FUND BALANCE

Louisiana Revised Statute 13:785 requires that every four years (at the close of the term of office) the Clerk of Court must pay the Parish treasurer the portion of the General Fund's fund balance that exceeds one-half of the revenues of the Clerk's last year of his term of office. At June 30, 1998, there was no amount due the Parish treasurer as this was not the last year of the Clerk's four-year term of office, and no determination of the amount that will be due, if any, can be made at this time.

SUPPLEMENTAL INFORMATION

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

General Fund

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

General Fund

Balance Sheet
June 30, 1998

ASSETS

Cash and cash equivalents	\$ 449,446
Receivables	41,280
Prepaid expenditures	6,060
Deposits	<u>2,882</u>
Total assets	<u>\$ 499,668</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 33,340
Payroll taxes payable	16,742
Due to others	3,323
Due to other funds	<u>49,613</u>
Total liabilities	<u>103,018</u>

FUND BALANCE

Unreserved - Undesignated	387,708
Reserved - prepaid expenditures	<u>8,942</u>
Total fund balance	<u>396,650</u>

Total liabilities and fund balance \$ 499,668

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VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

General Fund

Statements of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Years Ended June 30, 1998 and 1997

	1998		Variance Favorable (Unfavorable)
	Budget	Actual	
REVENUES			
Fees and services	\$1,010,810	\$1,075,512	\$ 64,702
Investment earnings	13,710	16,172	2,462
Miscellaneous	<u>12,950</u>	<u>12,675</u>	<u>(275)</u>
Total revenues	<u>1,037,470</u>	<u>1,104,359</u>	<u>66,889</u>
EXPENDITURES			
Current -			
Salaries	594,475	596,624	(2,149)
Employee benefits	120,800	136,353	(15,553)
Insurance	16,000	13,722	2,278
Operation and maintenance	110,643	135,742	(25,099)
Advertising	-	30	(30)
Automobile	12,371	10,383	1,988
Professional services	12,000	12,607	(607)
Miscellaneous	28,000	28,762	(762)
Capital expenditures -			
Capital outlays	18,203	28,737	(10,534)
Capital leases	-	7,346	(7,346)
Debt service -			
Principal	37,300	35,410	1,890
Interest	<u>10,200</u>	<u>11,810</u>	<u>(1,610)</u>
Total expenditures	<u>959,992</u>	<u>1,017,526</u>	<u>(57,534)</u>
Excess of revenues over expenditures	<u>77,478</u>	<u>86,833</u>	<u>9,355</u>
Other financing sources:			
Capital leases	64,000	7,346	(56,654)
Intergovernmental transfers	<u>-</u>	<u>48,500</u>	<u>48,500</u>
Total other financing sources	<u>64,000</u>	<u>55,846</u>	<u>(8,154)</u>
Excess of revenues and other financing sources over expenditures	141,478	142,679	1,201
Fund balance, beginning	<u>253,971</u>	<u>253,971</u>	<u>-</u>
Fund balance, ending	<u>\$ 395,449</u>	<u>\$ 396,650</u>	<u>\$ 1,201</u>

1997		
Budget	Actual	Variance Favorable (Unfavorable)
\$1,102,900	\$1,108,269	\$ 5,369
10,600	10,925	325
<u>800</u>	<u>752</u>	<u>(48)</u>
<u>1,114,300</u>	<u>1,119,946</u>	<u>5,646</u>
578,100	578,719	(619)
146,800	151,962	(5,162)
13,475	12,080	1,395
118,930	117,241	1,689
3,950	2,692	1,258
10,750	10,089	661
9,150	9,150	-
41,922	41,359	563
82,000	85,450	(3,450)
9,921	9,921	-
30,200	29,647	553
<u>10,875</u>	<u>10,793</u>	<u>82</u>
<u>1,056,073</u>	<u>1,059,103</u>	<u>(3,030)</u>
<u>58,227</u>	<u>60,843</u>	<u>2,616</u>
63,569	63,269	(300)
<u>63,569</u>	<u>63,269</u>	<u>(300)</u>
121,796	124,112	2,316
<u>129,859</u>	<u>129,859</u>	<u>-</u>
<u>\$ 251,655</u>	<u>\$ 253,971</u>	<u>\$ 2,316</u>

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

General Fund

Statements of Revenues Compared to Budget (GAAP Basis)
For the Years Ended June 30, 1998 and 1997

	1998		Variance Favorable (Unfavorable)
	Budget	Actual	
Fees and Services:			
Administrative fees	\$ 250	\$ 254	\$ 4
Certified copies	37,750	38,107	357
Clerk fees	298,000	344,454	46,454
Clerks supplement	10,800	10,350	(450)
Court attendance	6,800	5,620	(1,180)
Criminal costs	13,000	12,705	(295)
Criminal/civil certificates		2,781	2,781
Direct access credit/UCCS		610	610
Fax fees	5,100	5,160	60
Jury summon fees	29,000	31,275	2,275
Marriage licenses	5,100	5,242	142
Mortgage certificates	44,000	45,355	1,355
Non-support revenue		4,665	4,665
Notary bond fees	150	175	25
Passport fees	1,800	1,685	(115)
Qualifying fees	450	370	(80)
Record/cancel certificates	2,510	2,608	98
Recordings	377,500	387,416	9,916
Registry of the court fees	600	459	(141)
Successions	-	-	-
Xerox-copy card fees	178,000	176,221	(1,779)
Total fees and services	<u>1,010,810</u>	<u>1,075,512</u>	<u>64,702</u>
Investment earnings	<u>13,710</u>	<u>16,172</u>	<u>2,462</u>
Miscellaneous:			
Other	<u>12,950</u>	<u>12,675</u>	<u>(275)</u>
Total revenues	<u>\$1,037,470</u>	<u>\$1,104,359</u>	<u>\$ 66,889</u>

1997

Budget	Actual	Variance Favorable (Unfavorable)
\$ 250	\$ 252	\$ 2
49,000	47,490	(1,510)
335,000	347,272	12,272
10,800	10,835	35
6,000	10,100	4,100
13,000	12,583	(417)
3,000	3,045	45
800	729	(71)
4,500	4,361	(139)
33,000	29,335	(3,665)
5,200	4,977	(223)
40,000	40,261	261
-	-	-
500	387	(113)
1,250	1,250	-
600	593	(7)
3,000	3,015	15
405,000	400,766	(4,234)
1,600	1,416	(184)
400	322	(78)
<u>190,000</u>	<u>189,280</u>	<u>(720)</u>
<u>1,102,900</u>	<u>1,108,269</u>	<u>5,369</u>
<u>10,600</u>	<u>10,925</u>	<u>325</u>
<u>800</u>	<u>752</u>	<u>(48)</u>
<u>\$1,114,300</u>	<u>\$1,119,946</u>	<u>\$ 5,646</u>

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

General Fund

Statements of Expenditures Compared to Budget (GAAP Basis)
For the Years Ended June 30, 1998 and 1997

	1998		Variance Favorable (Unfavorable)
	Budget	Actual	
Salaries:			
Clerk of court	\$ 70,175	\$ 72,575	\$ (2,400)
Deputies	513,000	512,460	540
Others	<u>11,300</u>	<u>11,589</u>	<u>(289)</u>
Total salaries	<u>594,475</u>	<u>596,624</u>	<u>(2,149)</u>
Employee related benefits:			
Pension fund	56,000	56,093	(93)
Payroll tax	6,800	8,444	(1,644)
Hospitalization insurance	<u>58,000</u>	<u>71,816</u>	<u>(13,816)</u>
Total employee benefits	<u>120,800</u>	<u>136,353</u>	<u>(15,553)</u>
Insurance:			
Deputy liability insurance	275	274	1
Errors and omissions insurance	10,800	8,799	2,001
Fire and casualty insurance	425	349	76
Workers' compensation	<u>4,500</u>	<u>4,300</u>	<u>200</u>
Total insurance	<u>16,000</u>	<u>13,722</u>	<u>2,278</u>
Operation and maintenance:			
Office -			
Supplies	24,500	27,420	(2,920)
Printing	8,200	14,109	(5,909)
Postage/box rent	15,793	14,091	1,702
Maintenance	6,000	16,427	(10,427)
Clerk's allowance	700	7,018	(6,318)
Rental - microfilm storage	950	938	12
Telephone	9,400	9,232	168
Fax phone expenses	1,600	1,476	124
Equipment - maintenance	14,000	17,384	(3,384)
Equipment - rental	10,900	10,364	536
Software - maintenance	7,700	7,937	(237)
Supplies - computer	8,700	6,612	2,088
Supplies - microfilm	200	467	(267)
Supplies - xerox copy card	<u>2,000</u>	<u>2,267</u>	<u>(267)</u>
Total operations and maintenance	<u>110,643</u>	<u>135,742</u>	<u>(25,099)</u>
Advertising:			
General	-	-	-
Public notice	<u>-</u>	<u>30</u>	<u>(30)</u>
Total advertising	<u>-</u>	<u>30</u>	<u>(30)</u>

1997		
Budget	Actual	Variance Favorable (Unfavorable)
\$ 59,600	\$ 59,616	\$ (16)
508,500	508,576	(76)
<u>10,000</u>	<u>10,527</u>	<u>(527)</u>
<u>578,100</u>	<u>578,719</u>	<u>(619)</u>
57,000	62,078	(5,078)
5,200	5,139	61
<u>84,600</u>	<u>84,745</u>	<u>(145)</u>
<u>146,800</u>	<u>151,962</u>	<u>(5,162)</u>
275	274	1
9,300	9,296	4
400	383	17
<u>3,500</u>	<u>2,127</u>	<u>1,373</u>
<u>13,475</u>	<u>12,080</u>	<u>1,395</u>
20,000	19,145	855
7,500	6,626	874
15,500	15,181	319
8,500	8,234	266
5,975	5,951	24
900	893	7
9,800	9,627	173
1,000	1,059	(59)
16,000	15,910	90
17,300	16,946	354
7,200	7,388	(188)
5,600	5,561	39
155	151	4
<u>3,500</u>	<u>4,569</u>	<u>(1,069)</u>
<u>118,930</u>	<u>117,241</u>	<u>1,689</u>
3,725	2,446	1,279
<u>225</u>	<u>246</u>	<u>(21)</u>
<u>3,950</u>	<u>2,692</u>	<u>1,258</u>

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

General Fund

Statements of Expenditures Compared to Budget (GAAP Basis)
For the Years Ended June 30, 1998 and 1997

	1998		Variance Favorable (Unfavorable)
	Budget	Actual	
Automobile:			
Rental	7,500	7,498	2
Operating and maintenance	3,046	1,227	1,819
Insurance	1,825	1,658	167
Total automobile	<u>12,371</u>	<u>10,383</u>	<u>1,988</u>
Professional services:			
Accounting	12,000	12,311	(311)
Programming	-	296	(296)
Total professional services	<u>12,000</u>	<u>12,607</u>	<u>(607)</u>
Miscellaneous:			
Adoption expenses	-	-	-
Association dues	2,100	1,713	387
Clerk's supplemental compensation fund	10,800	11,868	(1,068)
Deputy uniforms	1,600	1,637	(37)
Election costs	200	-	200
Subscriptions	300	284	16
Travel and convention costs	9,000	9,010	(10)
Taxes - other	300	85	215
Other	3,700	4,165	(465)
Total miscellaneous	<u>28,000</u>	<u>28,762</u>	<u>(762)</u>
Capital expenditures:			
Computer equipment	18,203	28,737	(10,534)
Office equipment	-	7,346	(7,346)
Office equipment	-	-	-
Total capital expenditures	<u>18,203</u>	<u>36,083</u>	<u>(17,880)</u>
Debt service:			
Principal - capital lease	37,300	35,410	1,890
Interest - capital lease	10,200	11,810	(1,610)
Total debt service	<u>47,500</u>	<u>47,220</u>	<u>280</u>
Total expenditures	<u>\$ 959,992</u>	<u>\$ 1,017,526</u>	<u>\$ (57,534)</u>

1997		
Budget	Actual	Variance Favorable (Unfavorable)
7,950	7,354	596
1,000	945	55
<u>1,800</u>	<u>1,790</u>	<u>10</u>
<u>10,750</u>	<u>10,089</u>	<u>661</u>
9,000	9,000	-
<u>150</u>	<u>150</u>	<u>-</u>
<u>9,150</u>	<u>9,150</u>	<u>-</u>
15	15	-
2,100	1,639	461
10,300	11,662	(1,362)
7,600	8,575	(975)
2,400	2,300	100
200	169	31
11,250	10,020	1,230
500	586	(86)
<u>7,557</u>	<u>6,393</u>	<u>1,164</u>
<u>41,922</u>	<u>41,359</u>	<u>563</u>
60,000	60,909	(909)
22,000	24,541	(2,541)
<u>9,921</u>	<u>9,921</u>	<u>-</u>
<u>91,921</u>	<u>95,371</u>	<u>(3,450)</u>
30,200	29,647	553
<u>10,875</u>	<u>10,793</u>	<u>82</u>
<u>41,075</u>	<u>40,440</u>	<u>635</u>
<u>\$ 1,056,073</u>	<u>\$ 1,059,103</u>	<u>\$ (3,030)</u>

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

Agency Funds

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

REGISTRY OF THE COURT FUND -- The Registry of the Court Fund, as provided by Louisiana Revised Statute 13:475, accounts for funds that have been ordered by the court to be held until judgement has been rendered in court litigation. Withdrawal of the funds can be made only upon order of the court

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

Agency Funds

Combining Balance Sheet
June 30, 1998

	<u>Advanced Deposit Fund</u>	<u>Registry of the Court Fund</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 268,090	\$ 609,379	\$ 877,469
Due from other funds	<u>49,613</u>	<u>-</u>	<u>49,613</u>
Total assets	<u>\$ 317,703</u>	<u>\$ 609,379</u>	<u>\$ 927,082</u>
LIABILITIES			
Unsettled balances:			
Civil suits	\$ 194,300	\$ -	\$ 194,300
Due to agencies	123,403	-	123,403
Registry of the court	<u>-</u>	<u>609,379</u>	<u>609,379</u>
Total unsettled balances	<u>317,703</u>	<u>609,379</u>	<u>927,082</u>
Total liabilities	<u>\$ 317,703</u>	<u>\$ 609,379</u>	<u>\$ 927,082</u>

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

Agency Funds

Combining Schedule of Collections, Distributions and Unsettled Balances
For the Years Ended June 30, 1998 and 1997

	Advanced Deposit Fund	1998 Registry of the Court Fund	Total
Collections:			
Deposits in civil suits	\$ 724,714	\$ -	\$ 724,714
Security bond deposits	1,200	-	1,200
Deposits by order of the court	-	281,860	281,860
Interest earnings	-	25,228	25,228
Total collections	<u>725,914</u>	<u>307,088</u>	<u>1,033,002</u>
Distributions:			
Payments by order of the court	-	1,051,125	1,051,125
Refund of deposits	195,837	-	195,837
Fees transferred to general fund	364,052	-	364,052
Sheriff's fees - local	37,090	-	37,090
Sheriff's fees - other parishes	35,276	-	35,276
Commissioner of insurance - report fee	435	-	435
Court reporter fees	1,449	-	1,449
Attorney fees	1,556	-	1,556
Secretary of state fees	4,775	-	4,775
Court of appeal fees	6,098	-	6,098
Witness fees	2,969	-	2,969
Law library fees	5,670	-	5,670
Judges support compensation fee	19,915	-	19,915
Judicial costs	18,580	-	18,580
Payments to police jury	66,979	-	66,979
Fees paid to secretary of state	60	-	60
Fees paid to general fund	-	713	713
Total distributions	<u>760,741</u>	<u>1,051,838</u>	<u>1,812,579</u>
Net change for the period	(34,827)	(744,750)	(779,577)
Unsettled balances, beginning	<u>352,530</u>	<u>1,354,129</u>	<u>1,706,659</u>
Unsettled balances, ending	<u>\$ 317,703</u>	<u>\$ 609,379</u>	<u>\$ 927,082</u>

1997		
Advanced Deposit Fund	Registry of the Court Fund	Total
\$ 730,798	\$ -	\$ 730,798
-	-	-
-	1,276,171	1,276,171
-	37,679	37,679
<u>730,798</u>	<u>1,313,850</u>	<u>2,044,648</u>
-	1,413,536	1,413,536
142,810	-	142,810
347,272	-	347,272
40,311	-	40,311
35,824	-	35,824
340	-	340
56	-	56
13,877	-	13,877
5,225	-	5,225
1,824	-	1,824
1,395	-	1,395
5,799	-	5,799
19,675	-	19,675
18,700	-	18,700
63,933	-	63,933
64	-	64
-	22,159	22,159
<u>697,105</u>	<u>1,435,695</u>	<u>2,132,800</u>
33,693	(121,845)	(88,152)
<u>318,837</u>	<u>1,475,974</u>	<u>1,794,811</u>
<u>\$ 352,530</u>	<u>\$ 1,354,129</u>	<u>\$ 1,706,659</u>

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INTERNAL CONTROL AND COMPLIANCE



Darnall, Sikes Frederick

(A Corporation of Certified Public Accountants)

Independent Auditor's Report on Compliance and Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

The Honorable Sammy Theriot
Vermilion Parish Clerk of Court
P.O. Box 790
Abbeville, Louisiana 70511

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We have audited the financial statements of the Vermilion Parish Clerk of Court (the Clerk), a component unit of the Vermilion Parish Police Jury, as of June 30, 1998, and for the two years then ended, and have issued our report thereon dated December 4, 1998. We have 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'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 instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying schedule of findings and questioned costs as items 98-3 and 98-4.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Clerk'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. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Clerk's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable conditions are described in the accompanying schedule of findings and questioned costs as items 98-1 and 98-2.

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Certified Public Accountants

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the 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. Our consideration of the internal control structure over financial reporting 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 the reportable conditions described above as 98-1 and 98-2 are material weaknesses.

This report is intended for the information of the Clerk. However, this report is a matter of public record and its distribution is not limited.

Dannall, Sikes & Frederick

A Corporation of Certified Public Accountants

Abbeville, Louisiana

December 4, 1998

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

Summary Schedule of Prior Year Findings
Years Ended June 30, 1998 and 1997

96-1 Finding: Segregation of Duties

Status: This finding is unresolved. See current year finding 98-1.

96-2 Finding: Reconciliation of Individual Suite Dockets Within the Advance Deposit Fund

Status: This finding is unresolved. See current year finding 98-2.

ML-1 Finding: Bonuses

Status: This finding is resolved.

ML-2 Findings: Bank Deposits in Excess of FDIC Insurance and Pledged Securities

Status: This finding is resolved.

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

Schedule of Findings and Questioned Costs
Years Ended December 31, 1998 and 1997

Part 1: Summary of Auditor's Results

Financial Statements

Auditor's Report – Financial Statements

An unqualified opinion has been issued on Vermilion Parish Clerk of Court (Clerk) financial statements as of and for the two years ended June 30, 1998.

Reportable Conditions – Financial Reporting

Two reportable conditions in internal control over financial reporting were disclosed during the audit of the financial statements and are shown as items 98-1 and 98-2 in Part 2 and are considered material weaknesses.

Material Noncompliance – Financial Reporting

There were two instances of material noncompliance noted during the audit and are described as items 98-3 and 98-4 in Part 2.

Federal Awards

This is not applicable for the two years ended June 30, 1998.

Part 2: Findings Relating to an Audit in Accordance with Governmental Auditing Standards

98-1 Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of accounting personnel, the Clerk did not have adequate segregation of functions within the accounting system.

Recommendation:

Based on the size of the operation and the cost-benefit of additional accounting personnel, it may not be feasible to achieve complete segregation of duties.

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

Schedule of Findings and Questioned Costs (Continued)
Years Ended June 30, 1998 and 1997

Part 2: Findings Relating to an Audit in Accordance with Governmental Auditing Standards
(Continued)

98-2 Reconciling of Individual Suit Dockets Within the Advance Deposit Fund

Finding:

During our audit of the Advance Deposit Fund, we noted that the detailed listing of individual suits did not reconcile to the general ledger balance.

Recommendation:

We recommend the Clerk's office undertake a detailed study of the individual civil suits to ascertain their correct balance.

98-3 Budgets

Criteria:

La R.S. 39:1310 requires that a budget be amended when actual revenues fail to meet estimated annual budgeted revenues by five percent or more or when actual expenditures exceed budgeted expenditures by five percent or more.

Finding:

For the year ended June 30, 1998, the budgets for the Clerk's actual expenditures exceeded budgeted expenditures by more than five percent.

Recommendation:

The Clerk should amend the budgets as needed.

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

Schedule of Findings and Questioned Costs (Continued)
Years Ended June 30, 1998 and 1997

Part 2: Findings Relating to an Audit in Accordance with Governmental Auditing Standards
(Continued)

98-4 Donations

Criteria:

Article 7 Section 14 of the Constitution of 1974 of the State of Louisiana, prohibits the use of public funds for donations.

Finding:

For the year ended June 30, 1998, it was noted that the Clerk expended public funds for donations.

Recommendation:

The Clerk should comply with all laws of the State of Louisiana.

Part 3: Findings and Questioned Cost Relating to Federal Programs

At June 30, 1998, the Clerk did not meet the requirements to have a single audit in accordance with OMB Circular A-133, therefore this section is not applicable.

VERMILION PARISH CLERK OF COURT
Abbeville, Louisiana

Management's Corrective Action Plan For Current Year Findings
Years Ended June 30, 1998 and 1997

Response to finding:

98-1 Segregation of Duties

Based on the size of the operation and the cost-benefit of additional personnel, it is not feasible to achieve complete segregation of duties.

98-2 Reconciling of Individual Suit Dockets Within the Advance Deposit Fund

The Clerk stated that they are going through the old records to reconcile the Advance Deposit to the general ledger. He stated that he is complying with all applicable laws and regulations to resolve this matter.

98-3 Budgets

The Clerk has implemented procedures to insure that the budget will be in compliance with the applicable budget laws.

98-4 Donations:

The Clerk stated that he thought he was in compliance with Article 7, Section 14, Part (B) (1) of the State's Constitution of 1974 of authorized uses of public funds. Article 7, Section 14, Part (B)(1) states that "Nothing in the Section shall prevent the use of public funds for programs of social welfare for the aid and support of the needy". However, the District Attorney of the 15th District notified him that the donations made were violating Article 7, Section 14 of the State's Constitution of 1974 and requested that the Clerk pay back his office the funds expended for donations. After the fiscal year ended June 30, 1998, the Clerk stated that all funds expended for donations were paid back from his personal account and he will comply with the applicable laws of Louisiana.