

SWITZER, HOPKINS & MANGE

Certified Public Accountants

DENNIS R. SWITZER, CPA
H. MYLES HOPKINS, CPA
SUSAN L. MANGE, CPA
ROXANNE B. JAMES, CPA

JOHN M. JONES, CPA 1921 - 1983

INDEPENDENT AUDITORS' REPORT

Honorable Randy J. Maxwell
Concordia Parish Sheriff and
Ex-Officio Parish Tax Collector
Vidalia, Louisiana

We have audited the accompanying statement of assets and liabilities arising from cash transactions of the Tax Collector Agency Fund of the Concordia Parish Sheriff and the related statement of collections, distributions, and unsettled balances as of June 30, 1996, and for the year then ended. These financial statements are the responsibility of management of the Concordia Parish Sheriff. 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; and the provisions of Office of Management and Budget Circular A-128, Audits of State and Local Governments. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in note 1, the Concordia Parish Sheriff is the ex-officio tax collector for the various taxing bodies within Concordia Parish, and the accompanying statements present information only on his activities as parish tax collector. Furthermore, the accompanying statements have been prepared on the basis of cash receipts and cash disbursements, which is an comprehensive basis of accounting other than generally accepted accounting principles.

Honorable Randy J. Maxwell
Concordia Parish Sheriff and
Ex-Officio Parish Tax Collector
Page Two

This report is intended for the use of management and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record of its distribution is not limited.

Ferriday, Louisiana
September 17, 1996

Switzer, Hopkins & Mangle

SWITZER, HOPKINS & MANGE

Certified Public Accountants

DENNIS R. SWITZER, CPA
H. MYLES HOPKINS, CPA
SUSAN L. MANGE, CPA
ROXANNE B. JAMES, CPA

JOHN M. JONES, CPA 1921 - 1983

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Randy J. Maxwell
Concordia Parish Sheriff and
Ex-Officio Parish Tax Collector
Vidalia, Louisiana

We have audited the statements of assets and liabilities arising from cash transactions of the Tax Collector Agency fund of the Concordia Parish Sheriff as of June 30, 1996, and the related statement of collections, distributions, and unsettled balances for the year then ended, and have issued our report thereon dated September 17, 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 financial statements are free of material misstatement.

Compliance with laws and regulations applicable to the Tax Collector Agency Fund of the Concordia Parish Sheriff is the responsibility of the Sheriff and management of his office. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we selected and tested transactions and records relating to the collection and distribution of parish taxes, licenses, et cetera, to determine the extent which the sheriff complied with laws and regulations applicable to his function as ex-officio parish tax collector. However, our objective was not to provide an opinion on overall compliance with such provisions.

The results of our tests indicate that, with respect to the items tested, the sheriff complied, in all material respects, with laws and regulations applicable to the tax collection and distribution function. With respect to the items not tested, nothing came to our attention that caused us to believe that the Concordia Parish Sheriff had not complied, in all material respects, with those 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.

Honorable Randy J. Maxwell
Concordia Parish Sheriff and
Ex-Officio Parish Tax Collector
Page Two

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 above is a material weakness.

This report is intended for the use of management and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Ferriday, Louisiana
September 17, 1996

Switzer, Hopkins + Mang

SWITZER, HOPKINS & MANGE

Certified Public Accountants

DENNIS R. SWITZER, CPA
H. MYLES HOPKINS, CPA
SUSAN L. MANGE, CPA
ROXANNE B. JAMES, CPA

JOHN M. JONES, CPA 1921 - 1983

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Randy J. Maxwell
Concordia Parish Sheriff and
Ex-Officio Parish Tax Collector
Vidalia, Louisiana

We have audited the statement of assets and liabilities arising from cash transactions of the Tax Collector Agency Fund of the Concordia Parish Sheriff as of June 30, 1996, and the related statement of collections, distributions, and unsettled balances for the year then ended, and have issued our report thereon dated September 17, 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 financial statements are free of material misstatement.

The management of the Concordia Parish Tax Collector is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but no absolute assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of Concordia Parish Tax Collector for the year ended June 30, 1996, we obtained an understanding of the internal control

CONCORDIA PARISH SHERIFF
TAX COLLECTOR AGENCY FUND
Vidalia, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 1996

INTRODUCTION

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff is the ex-officio tax collector of the parish and is responsible for collecting and distributing ad valorem property taxes, state revenue and sharing funds, and angling, hunting, and trapping licenses.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accounts of the parish tax collector are established to reflect the collections imposed by law, distributions pursuant to such law, and unsettled balances due various taxing bodies and others. The accompanying financial statements have been prepared on the cash basis of accounting, with collections recognized when received and distributions reflected when paid. As such, the accompanying financial statements do not reflect the receivables and payables associated with tax collection activities.

B. REPORTING ENTITY

Louisiana Revised Statute 24:513(I)(1)(b) requires that the accounts of each parish tax collector be audited annually. Accordingly, the accompanying financial statements reflect the financial activity of the sheriff relating only to his responsibility as ex-officio parish tax collector. Amounts included in these financial statements are also included in the sheriff's annual general purpose financial statements.

C. CASH

State law authorizes the sheriff to deposit tax collections in interest-bearing accounts with a bank domiciled in the parish where the funds are collected.

2. CASH

At June 30, 1996, the sheriff has \$41,923 (collected bank balances) on deposit in interest-bearing demand accounts with local financial institutions. These deposits are fully secured by federal deposit insurance.

CONCORDIA PARISH SHERIFF
TAX COLLECTOR AGENCY FUND
Vidalia, Louisiana

Statement of Collections, Distributions
and Unsettled Balances
Year Ended June 30, 1996

UNSETTLED BALANCES AT JUNE 30, 1995	\$	55,173
COLLECTIONS		
Ad valorem taxes		3,635,669
State revenue sharing (note 3)		458,875
Sporting licenses		165,143
Interest on:		
Demand deposits		6,272
Delinquent taxes		8,732
Costs, notices, etc.		4,149
Total collections		<u>4,334,013</u>
Total cash available		
DISTRIBUTIONS		
Fifth Louisiana Levee Board		184,640
Louisiana Department of Wildlife and Fisheries		135,929
Louisiana Department of Agriculture and Forestry		4,945
Concordia Parish:		
Police Jury		937,237
School Board		1,310,479
Sheriff		1,033,393
Assessor		183,280
Monterey Fire Protection District		15,121
Fire Protection District No. 2		260,027
Recreation District No. 2		21,190
Recreation District No. 3		92,933
Pension funds		109,133
Refund and redemptions		1,043
Miscellaneous		1,046
Total distributions		<u>4,290,396</u>
UNSETTLED BALANCES AT JUNE 30, 1996		
DUE TO TAXING BODIES AND OTHERS	\$	<u>43,617</u>

The accompanying notes are an integral part of this statement.

Honorable Randy J. Maxwell
Concordia Parish Sheriff and
Ex-Officio Parish Tax Collector
Page Two

In our opinion, the accompanying financial statements present fairly, in all material respects, the assets and liabilities arising from cash transactions of the Tax Collector Agency Fund of the Concordia Parish Sheriff as of June 30, 1996, and the collections, distributions, and unsettled balances of the Tax Collector Agency fund for the year then ended on the basis of accounting described in note 1.

In accordance with Government Auditing Standards, we have also issued reports dated September 17, 1996 on our consideration of the Concordia Parish Tax Collector's internal control structure and on its compliance with laws and regulations.

Ferriday, Louisiana
September 17, 1996

Switzer, Hopkins + Mang

CONCORDIA PARISH SHERIFF
(As Ex-Officio Parish Tax Collector)
Vidalia, Louisiana

TABLE OF CONTENTS

	Statement	Page
Independent Auditors' Report		1-2
Financial Statements - Tax Collector Agency Fund:		
Statement of Assets and Liabilities Arising from Cash Transactions	A	3
Statement of Collections, Distributions, and Unsettled Balances	B	4
Notes to the Financial Statements		5-6
Other Reports Required by <u>Government Auditing Standards</u> :		
Independent Auditors' Report on Internal Control Structure Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards		7-9
Independent Auditors' Report on Compliance Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards		10-11

3144

**OFFICIAL
FILE COPY**

DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

RECEIVED
LEGISLATIVE AUDITOR
96 OCT 30 AM 8:58

**CONCORDIA PARISH SHERIFF
(As Ex-Officio Parish Tax Collector)
Vidalia, Louisiana**

**Financial Statements and
Independent Auditors' Reports
As of and for the Year Ended
June 30, 1996**

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

Release Date NOV 13 1996

CONCORDIA PARISH SHERIFF
TAX COLLECTOR AGENCY FUND
Vidalia, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 1996

3. STATE REVENUE SHARING FUNDS

The revenue sharing funds provided by Act 763 of 1990 were distributed as follows:

Fifth Louisiana Levee Board	\$ 22,058
Concordia Parish:	
Police Jury	112,017
School Board	154,185
Assessor	21,278
Sheriff	135,755
Recreation District No. 2	1,259
Recreation District No. 3	2,916
Pension funds	9,407
Total	<u>\$ 458,875</u>

CONCORDIA PARISH SHERIFF
TAX COLLECTOR AGENCY FUND
Vidalia, Louisiana

Statement of Assets and Liabilities
Arising from Cash Transactions
June 30, 1996

ASSETS

Cash

\$ 43,617

LIABILITIES

Due to taxing bodies and others

\$ 43,617

The accompanying notes are an integral part of this statement.

Honorable Randy J. Maxwell
Concordia Parish Sheriff and
Ex-Officio Parish Tax Collector
Page Two

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 judgement, 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.

Inadequate Segregation of Duties

The Concordia Parish Tax Collector does not have adequate segregation of duties within his accounting department relating to collecting, distributing, and recording tax proceeds. One employee performs almost all accounting functions connected with the tax collector account. Management has the responsibility to establish and maintain an adequate internal control structure, which should provide for adequate segregation of accounting duties. Failure to provide for adequate separation of duties increases the possibility that a person could be in a position to both perpetrate and conceal errors or irregularities, in the normal course of his or her duties, that would not be detected in a timely manner.

The tax collector should review and evaluate the control structure within his accounting department and determine where changes can be made. He should then establish and implement control procedures that would ensure adequate separation of duties among the various personnel within the accounting department.

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