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ST. TAMMANY PARISH SHERIFF
St Tammany Parish, Louisiana

GENERAL PURPOSE FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT WITH SUPPLEMENTAL INFORMATION

As of and for the Year Ended June 30, 1986

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 FEB 19 1987

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FINANCIAL AUDITORS' REPORT

The Honorable Rodney J. Straub, Jr.
St. Tammany Parish Sheriff
St. Tammany Parish, Louisiana

We have audited the accompanying general purpose financial statements of the St. Tammany Parish Sheriff as of June 30, 1996, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the St. Tammany Parish Sheriff. Our responsibility is to express an opinion on these statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the St. Tammany Parish Sheriff as of June 30, 1996, and the results of its operations and cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the St. Tammany Parish Sheriff. 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 stated in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued a report dated December 6, 1996 on our consideration of St. Tammany Parish Sheriff's internal control structure and a report dated December 6, 1996 on its compliance with laws and regulations.

December 6, 1996

Smith, Havel & Associates, L.L.C.

91. FIDUCIARY FINANCIAL STATEMENT
 B. Tennessee Valley Authority
 CONSOLIDATED BALANCE SHEET - ALL FUNDS TYPES
 AND ACCOUNT GROUPS

APRIL 30, 1989

ASSETS	OPERATIONAL FUNDS TYPES - ALL FUNDS TYPES		PROFICIENCY FUND TYPE - ALL FUNDS TYPES	ACCOUNTS RECEIVABLE		TOTAL (OPERATIONAL AND PROFICIENCY)
	OPERATIONAL FUNDS TYPE - GENERAL FUND	OPERATIONAL FUNDS TYPE - SPECIAL FUND		ACCOUNTS RECEIVABLE - ALL FUNDS TYPES	ACCOUNTS RECEIVABLE - SPECIAL FUND	
Cash and cash equivalents	1,441,446	\$	7,500,000	\$	\$	8,941,446
Receivables (net)	1,678,173					1,678,173
Due from other funds			71,880			71,880
Inventory (net)	78,159					78,159
Advances and prepayments (net)						
Derivatives in accordance with Statement of Financial Accounting Standards						
			50,000		50,000	100,000
TOTAL ASSETS	3,298,878	\$	7,621,880	\$	50,000	10,970,758
LIABILITIES AND FUND EQUITY						
LIABILITIES:						
Accounts payable	200,889	\$	42,875	\$	\$	243,764
Accrued salaries	737,248		78,894			816,142
Accrued interest	914,208					914,208
Due to other funds	21,880		1,500,000			1,521,880
Due to other agencies and others						
Contractual obligations (net) and other						
Capital asset acquisition (net)						
Total Liabilities	1,914,225	\$	1,821,769	\$	50,000	3,785,994
Fund Equity:						
Investment management fees receivable					9,200,000	9,200,000
Reserve fund	1,487,653					1,487,653
Retained - undistributed	93,000					93,000
Reserve for equity						
Unrealized earnings (net)						
Total Fund Equity	1,680,653	\$	94,875	\$	9,200,000	11,015,528
TOTAL LIABILITIES AND FUND EQUITY	3,594,878	\$	1,916,644	\$	10,140,000	15,651,522

The accompanying notes are an integral part of this statement.

BT TRANSFER FINANCIAL SERVICES
 B. Transfers, income

STATEMENT OF RESOURCES, EXPENDITURES AND CHANGE
 IN FUND BALANCE - BUDGET (BAP) BASIS AND ACTUAL -
 GOVERNMENTAL FUNDS (1997 - 1998)

FOR THE YEAR ENDED JUNE 30, 1998

	BUDGET	ACTUAL	VARIANCE PAYABLE (DEFICIT/SURPLUS)
RESOURCES			
all other funds			
BAP for	1 4,100,000	4,070,000	30,000
intergovernmental transfers			
Federal grants	102,174	81,728	20,446
State grants	83,000	101,544	18,544
State revenue sharing	564,750	561,505	3,245
State miscellaneous	800,282	800,000	282
Fees, charges, and commissions for services			
Licenses/fees	600,000	600,000	0
Other	700,000	670,200	29,800
Gifts	500,000	511,440	11,440
Contributions	600,000	600,000	0
Fund allocations	11,000	11,000	0
Private contributions	40,000	40,000	0
Permitting programs	2,000,000	2,000,000	0
Funding and security programs	2,000,000	2,000,000	0
The interests and other resources	100,000	100,000	0
Interest earnings	200,000	200,000	0
Other resources	50,000	50,000	0
Total intergovernmental	1,000,000	1,000,000	0
Total resources	10,100,000	10,070,000	30,000
EXPENDITURES			
BAP for			
Personnel services	3,000,000	3,000,000	0
Physical benefits	500,000	500,000	0
Employee retirement benefits	800,000	800,000	0
Security expenditures	2,000,000	2,000,000	0
Professional fees	500,000	500,000	0
Information and supplies	1,000,000	1,000,000	0
Travel and education	200,000	200,000	0
Miscellaneous	600,000	600,000	0
Other	100,000	100,000	0
Capital outlay	200,000	200,000	0
Total expenditures	10,100,000	10,070,000	30,000
CHANGE IN FUND BALANCE			
Total resources	10,100,000	10,070,000	30,000
Total expenditures	10,100,000	10,070,000	30,000
Change in fund balance	0	0	0
Fund balance, beginning	0	0	0
Fund balance, ending	0	0	0

BT, TERMINAL FUND-BUDGET
 20, Terminal Fund, Louisiana

STATEMENT OF REVENUE, EXPENDITURES, AND CHANGE
 IN FUND BALANCE - BUDGET (BASE) AND ACTUAL -
 GOVERNMENTAL FUND TYPE - GENERAL FUND

For the Year Ended June 30, 1998

	BUDGET	ACTUAL	VARIANCE FAVORABLE UNFAVORABLE
EXCESS OF REVENUE OVER EXPENDITURES	\$ 66,600	\$ 1,466,794	\$ 1,400,194
OTHER FINANCING SOURCES State of assets	50,000	45,400	(4,600)
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES	\$ 116,600	\$ 1,512,194	\$ 1,395,594
FUND BALANCE AT BEGINNING OF YEAR		284,485	
FUND BALANCE AT END OF YEAR		\$ 1,796,679	

The accompanying notes are an integral part of this statement.

ST. TAMMANY PARISH SHERIFF
St. Tammany Parish, Louisiana

STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN RETAINED EARNINGS (DEFICIT) - PROPRIETARY FUND
TYPE - INTERNAL SERVICE FUND

For the Year Ended June 30, 1996

OPERATING REVENUES	
Health contributions	\$ 1,590,858
OPERATING EXPENSES	
Claims expenses	1,451,564
Other premiums	108,046
Stop-loss premiums	134,578
Administrative fees	<u>63,511</u>
Total operating expenses	<u>1,755,699</u>
OPERATING LOSS	(164,841)
NON-OPERATING REVENUES	
Interest income	<u>8,321</u>
NET LOSS	(143,779)
Retained earnings - beginning	<u>78,835</u>
Retained earnings (deficit) - ending	\$ <u>(64,944)</u>

The accompanying notes are an integral part of this statement.

ST. TAMMANY PARISH SHERIFF
St. Tammany Parish, Louisiana

STATEMENT OF CASH FLOWS - PROPRIETARY
FUND TYPE - INTERNAL SERVICE FUND

For the Year Ended June 30, 1996

CASH FLOWS FROM OPERATING ACTIVITIES:	
Operating loss	\$ (152,040)
Adjustments to reconcile net operating loss to net cash used by operating activities:	
Decrease in due to other funds	(220,782)
Decrease in claims payable	(78,452)
Increase in accounts receivable	(78,116)
Decrease in prepaid insurance	21,947
Increase in bank overdraft	<u>42,605</u>
Total adjustments	<u>(214,788)</u>
Net cash used by operating activities	(366,789)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Receipts of interest	<u>8,271</u>
Net cash provided by investing activities	<u>8,271</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(358,518)
Cash and cash equivalents, beginning of year	<u>158,518</u>
Cash and cash equivalents, end of year	\$ <u>0</u>

The accompanying notes are an integral part of this statement.

ST. TAMMANY PARISH SHERIFF
St. Tammany Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the Sheriff serves a four-year term as the Chief Executive Officer of the law enforcement district and Ex-Officio Tax Collector of the parish. The Sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, serving subpoenas, et cetera.

As the chief law enforcement officer of the parish, the Sheriff has the responsibility for enforcing state and local laws, ordinances, et cetera, within the territorial boundaries of the parish. The Sheriff provides protection to the residents of the parish through on-site patrols, investigations, and other law enforcement activities. In addition, the Sheriff, when requested, provides assistance to other law enforcement agencies within the parish, state or federal government.

As the Ex-Officio Tax Collector of the parish, the Sheriff is responsible for collecting and distributing ad valorem property taxes, parish occupational licenses, state revenue sharing funds, sportsmen's licenses, and fines, costs and bond forfeitures imposed by the district court. The Sheriff is also contracted to be the sole tax collector for the collection and distribution of sales taxes throughout the parish.

The financial statements of the Sheriff conform to generally accepted accounting principles (GAAP) as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:917. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body in established governmental accounting and financial reporting principles. The following is a summary of certain significant accounting policies:

1. Reporting Entity

For financial reporting purposes, the Sheriff includes all funds and account groups that are controlled by the Sheriff as an independently elected parish official. As an independently elected official, the Sheriff is solely responsible for the operations of his office, which include the hiring or retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the Sheriff's office that are paid or provided by the parish police jury as required by Louisiana law, the Sheriff is financially independent. Accordingly, the Sheriff is a separate governmental reporting entity. Certain units of local government, over which the Sheriff exercises no oversight responsibility, such as the parish police jury, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the St. Tammany Parish Sheriff.

ST. TAMMANY PARISH SHERIFF
St. Tammany Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 1998

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

3. Fund Accounting

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

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

Funds are classified into three categories: governmental, fiduciary, and proprietary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for a government's general activities, where the focus of attention is on providing services to the public; fiduciary funds are used to account for assets held for others; and proprietary funds are used to account for a government's ongoing activities. The Sheriff's current operations require the use of governmental, fiduciary, and proprietary funds as described below:

Governmental Fund - General Fund

The General fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Sheriff's office and accounts for the operations of the Sheriff's office. The Sheriff's primary sources of revenue are an ad valorem tax levied by the law enforcement district, and the Sheriff's one-fourth percent sales tax. The Sheriff also receives revenue from state supplemental pay for detention, civil and criminal fees, fees for court attendance, maintenance of prisoners, and various other commissions. General operating expenditures are paid from this fund.

ST. TAMMANY PARISH SHERIFF
St. Tammany Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2. Fund Accounting - Continued

Depository Fund - Agency Funds

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

Depository Fund - Internal Service Fund

The Internal Service Fund is used to account for health care claims made by the Sheriff's employees on a cost recovery basis. Resources to fund the self insurance plans are recorded as revenues. The cost of claims is recorded as an expense in the Internal Service Fund when the claims arise. Accrued liabilities include provisions for claims reported but not yet paid as of fiscal year-end.

3. 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.

Governmental Fund

The governmental fund is accounted for using the modified accrual basis of accounting. The General Fund uses the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

ST. TAMMANY PARISH SHERIFF
St. Tammany Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

3. Basis of Accounting - Continued

Sales taxes are recorded in the year the related sale has occurred. Fees, charges, and commissions for services, interest income on time deposits, other revenues, and intergovernmental revenues (except state revenue sharing) are recorded when earned.

Expenditures

Generally, expenditures are recognized under the modified accrual basis when the related fixed liability is incurred.

Compensated absences are recognized as expenditures when leave is actually taken or when employees are paid for accrued leave upon termination. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

Other Financing Sources

Sales of fixed assets are accounted for as an other financing source and are recorded when cash is received.

Proprietary Fund

The proprietary fund is accounted for using the accrual basis of accounting whereby revenues are recognized when they are earned and expenses are recognized when incurred.

4. Budget Practices

The proposed 1995-1996 budget for the General Fund was made available for public inspection at the Sheriff's Office on May 25, 1995. A public hearing was held on June 21, 1995, at the Sheriff's office for suggestions and comments from taxpayers. The proposed budget was legally adopted by the Sheriff on the date of the public hearing. All appropriations lapse at year end. The budget, which includes proposed expenditures and the means of financing them, was published in the official journal prior to the public hearings.

ST. TAMMANY PARISH SHERIFF
St. Tammany Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 1986

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. Budget Practices - Continued

The General Fund budget is prepared on the modified accrual basis of accounting. Formal budget integration (within the accounting month) is used during the year as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments.

5. Cash

Cash includes amounts in demand deposits and interest-bearing demand deposits. Under state law, the Sheriff may deposit funds in demand deposits, interest-bearing demand deposits, 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.

6. Inventory

Office supplies, sub-supplies, and vehicle parts inventories are valued at cost, which approximates market. Cost is determined using the specific identification method. This is not considered to be a material departure from GAAP.

7. General Fixed Assets and Long-Term Obligations

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in the General Fund. General fixed assets provided by the parish police jury or improvements thereon, such as the jail addition, are not recorded within the Sheriff's general fixed assets account group. Fixed assets are valued at historical cost or estimated historical cost, if historical cost is not available. Donated assets are recorded at fair market value at the time of donation. No depreciation has been provided on general fixed assets.

Long-term obligations expected to be financed from governmental funds are accounted for in the general long-term debt account group, not in the General Fund. These two account groups are net funds because they are concerned only with the measurement of financial position and do not involve measurement of results of operations.

ST. TAMMANY PARISH SHERIFF
St. Tammany Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 1996

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

8. **Compensated Absences**

Employees of the Sheriff's office earn from 10 to 15 days of vacation leave and 5 to 15 days of sick leave each year, depending on length of service. Vacation leave cannot be accumulated and must be used during the year it is earned. Sick leave can be accumulated up to a maximum of 400 hours. Upon termination, sick leave lapses. Employees of the Sheriff's office also earn compensatory leave. Compensatory leave is earned at the rate of time and a half for overtime worked and may be carried forward to subsequent years.

9. **Total Columns on the Balance Sheet**

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

NOTE B - CASH AND CASH EQUIVALENTS

At June 30, 1996, the Sheriff has \$8,579,114 (book balance) in interest-bearing demand deposits. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in holding or custodial bank that is mutually acceptable to both parties.

At June 30, 1996, the Sheriff has \$9,458,377 in deposits (collected bank balances). These deposits are secured from risk by \$108,680 of federal deposit insurance and \$93,682,728 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1279 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

ST. TAMMANY PARISH SHERIFF
St. Tammany Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 1986

NOTE C - RECEIVABLES

The General Fund receivables of \$1,675,173 at June 30, 1986, are as follows:

Class of Receivable:

Sales tax	\$	199,518
Ad valorem taxes		184,425
State funds receivable		79,162
Federal funds receivable		22,298
Fees, charges, and commissions for services:		
Feeding, keeping, and transporting prisoners		186,513
Civil and criminal fees		24,815
Fines and cost		38,412
Commissions		182,976
Other		<u>32,900</u>
Total		<u>\$ 1,675,173</u>

NOTE D - GENERAL FIXED ASSETS

A summary of changes in general fixed assets (automobiles and equipment) follows:

Balance, June 30, 1985	\$	4,083,288
Additions		772,873
Reductions		<u>(311,642)</u>
Balance, June 30, 1986		<u>\$ 4,544,519</u>

ST. TAMMANY PARISH SHERIFF
St. Tammany Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 1996

NOTE D - GENERAL FIXED ASSETS - Continued

General fixed assets consist of the following as June 30, 1996:

Vehicles and accessories	\$ 3,185,547
Communication equipment	609,388
Computer equipment	681,221
Office equipment	126,127
Tools and accessories	102,985
Furniture and accessories	120,223
Other	109,319
Building improvements	140,606
Lab equipment	18,813
Total	<u>\$ 5,386,629</u>

NOTE E - REVENUE ANTICIPATION NOTE

During the June 30, 1996 fiscal year, the Sheriff borrowed \$2,398,000 on a revenue anticipation note for cash flow purposes. The note was paid prior to the fiscal year end primarily from all valuations and sales tax revenues. The amount of interest paid upon maturity of the note was \$74,726.

NOTE F - COMPENSATED ABSENCES

At June 30, 1996, employees of the Sheriff's office have accumulated \$118,837 of compensatory leave benefits, computed in accordance with GASB Cash Position Section C60. This amount is recorded as compensated absences payable within the general long-term obligations account group.

The cost of leave privileges, computed in accordance with previous cash position, is recognized as a current year expenditure within the General Fund when leave is actually taken.

NOTE G - LEASES

The Sheriff's office is obligated under leases accounted for as capital leases. The leased assets and related obligations are accounted for in the General Fixed Asset Account Group and the General Long-Term Debt Account Group, respectively. The General Fund is responsible for servicing the lease payments for the capital lease. Assets under the capital lease totaled \$103,219 at June 30, 1996. The following is a schedule of future minimum lease payments under this capital lease, together with the net present value of the minimum lease payments as of June 30, 1996:

ST. TAMMANY PARISH SHERIFF
St. Tammany Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 1996

NOTE G - LEASES - Continued

Year Ending <u>June 30</u>	General Long-Term Debt Account Group
1997	\$ 23,332
Less: Amount representing interest Present value of minimum lease payments	____ 912
	<u>\$ 22,358</u>

The Sheriff is also obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and therefore the results of the lease agreements are not reflected in the Sheriff's account groups. Rent payments of \$99,908 were made during the year ended June 30, 1996. The following is a schedule of future minimum rental payments:

Year Ending <u>June 30</u>	<u>Amount</u>
1997	\$ 64,300
Total minimum lease payments	<u>\$ 64,300</u>

ST. TAMMANY PARISH SHERIFF
St. Tammany Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 1996

NOTE II - CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligations for:

	Compensated Absence	Lease Obligation	Total
Balance, June 30, 1995	\$ 76,367	\$ 592,633	\$ 669,000
Additions	158,034	-	158,034
Deductions	(123,864)	(370,363)	(494,227)
Balance, June 30, 1996	\$ 110,537	\$ 222,270	\$ 332,807

NOTE III - CHANGES IN AGENCY FUND BALANCES

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

	Sheriff's Fund	Tax Collector Fund	Lease Fund	Fines and Cost Fund
Balance at July 1, 1995	\$ 379,620	\$ 5,007,661	\$ 27,770	\$ 218,359
Additions	3,634,673	125,663,530	277,577	3,052,944
Deductions	(3,382,968)	(338,136,951)	(287,588)	(3,682,346)
Balance at June 30, 1996	\$ 631,325	\$ 6,634,240	\$ 17,759	\$ 588,957

ST. TAMMANY PARISH SHERIFF
St. Tammany Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 1996

NOTE J - EXPENDITURES OF THE SHERIFF'S OFFICE PAID
BY THE PARISH POLICE JURY

The Sheriff's office occupies various facilities owned by the Parish. The cost of maintaining and operating these facilities, as required by Louisiana Revised Statute 33:4715, is paid by the St. Tammany Parish Police Jury.

NOTE K - PENSION PLAN

Substantially all employees of the St. Tammany Parish Sheriff are members of the state individual retirement system known as the Sheriff's Pension and Relief Fund ("System"), a multiple-employer (cost sharing), public employee retirement system (PERS), administered and controlled by a separate board of trustees.

Plan description: All sheriffs and deputies who are found to be physically fit, who earn at least \$400 per month, and who were between the ages of 18 and 30 at time of original employment are required to participate in the system. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to a percentage of their final-average salary for each year of credited service. The percentage factor to be used for each year of service is 2.5 percent for each year if total service is at least 12 but less than 15 years, 2.25 percent for each year if total service is at least 15 but less than 20 years, and 2 percent for each year if total service is at least 20 years. In any case, the retirement benefit cannot exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and who do not withdraw their employee contributions may retire at or after age 55 and receive benefits according to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established by state statute. Contributions to the System include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and a direct appropriation from the State of Louisiana.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Sheriff's Pension and Relief Fund, P.O. Box 3183, Monroe, Louisiana, 70218-3183, or by calling (318) 382-3198.

ST. TAMMANY PARISH SHERIFF
St. Tammany Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 1996

NOTE K - PENSION PLAN - Continued

Funding Policy. Plan members are required by state statute to contribute 8.7 percent of their annual covered salary and the Sheriff is required to contribute at an actuarially determined rate. The current rate is 6.0 percent of annual covered payroll. The contribution requirements of plan members and the Sheriff are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:185, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Sheriff's contributions to the System for the years ending June 30, 1996, 1995, and 1994, were \$433,491, \$535,981, and \$305,977, respectively, equal to the required contributions for each year.

NOTE L - DEFERRED COMPENSATION PLAN

The St. Tammany Parish Sheriff offers its employees deferred compensation under the Louisiana Public Employees Deferred Compensation Plan in accordance with Internal Revenue Code Section 457. The deferred compensation is not available to employees until retirement, death, termination, disability, or financial hardship.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or beneficiary) solely the property and rights of the Sheriff (without being restricted to the provisions of benefits under the plan), subject only to the claims of the Sheriff's general creditors. Participants' rights under the plan are equal to those of general creditors of the Sheriff in an amount equal to the fair market value of the deferred amount for each participant.

It is the opinion of the Sheriff's legal counsel that the Sheriff has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The Sheriff believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future. Accordingly, the plan assets and related liabilities have not been included herein.

NOTE M - POST-RETIREMENT BENEFITS

The St. Tammany Parish Sheriff provides certain continuing health care benefits for retired employees. Substantially all of the Sheriff's employees become eligible for these benefits if they reach normal retirement age while working for the Sheriff's office. These benefits for retirees and similar benefits for active employees are provided through the Sheriff's Internal Service Fund. The Sheriff recognizes the cost of providing these benefits as an expenditure when the monthly premiums are due. For the year ended June 30, 1996, the Sheriff expensed \$902,596 for health care and life insurance benefits. Included in this total is \$57,717 of health care benefits paid for retirees. There are 30 retirees and 367 active employees as of June 30, 1996.

ST. TAMMANY PARISH SHERIFF
St. Tammany Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 1996

NOTE M - LITIGATION AND CLAIMS

At June 30, 1996, the Sheriff is involved in a number of lawsuits. In the opinion of the Sheriff's legal counsel, resolution of the majority of these lawsuits would not create a liability to the Sheriff in excess of insurance coverage. However, the financial statements include an accrued liability of \$18,500 to reflect the settlement of a legal claim not covered by insurance.

NOTE O - SELF-INSURANCE

On January 1, 1994, the Sheriff established a self-insurance health plan for his employees. The Plan administrator, EHL Services, Inc., are responsible for the approval, processing, and payment of claims. They are also responsible for actuarially determining the needed funding of the plan, for which they bill the Sheriff.

The Plan is accounted for in an internal service fund of the Sheriff. Premiums to fund the Plan are recorded as revenues. The cost of claims is recorded as an expense in the internal service fund when the claims arise. Claims liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Claims liabilities include an amount for claims that have been incurred but not paid as of June 30, 1996. These liabilities are reported at their present value of \$75,591. Changes in the balances of claims liabilities during fiscal years 1996, 1995 and 1994 were as follows:

	<u>1996</u>	<u>1995</u>	<u>1994</u>
Beginning of year liability	\$ 96,043	\$ 13,998	\$ -
Claims and changes in estimates	1,451,964	723,729	242,699
Claims payments	<u>(1,471,416)</u>	<u>(643,689)</u>	<u>(228,781)</u>
Balance at fiscal year end	<u>\$ 75,591</u>	<u>\$ 96,043</u>	<u>\$ 13,998</u>

A stop-loss insurance contract executed with an insurance carrier covers aggregate claims in excess of \$1,319,690 aggregate and \$50,000 per single employee, per year. This policy provides stated coverage on a calendar year basis.

ST. TAMMANY PARISH SHERIFF
St. Tammany Parish, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the Year Ended June 30, 1996

NOTE P - FUND DEFICIT

The following fund has a deficit in retained earnings at June 30, 1996.

Internal Service Fund	<u>\$ (64,827)</u>
-----------------------	--------------------

NOTE Q - EXPENDITURES - ACTUAL AND BUDGET

The General Fund had actual expenditures of \$15,458,697 over budgeted expenditures of \$15,218,840 thus creating an unfavorable variance of \$239,854.

NOTE R - RESERVED FUND BALANCE

Reserve for inventories - The reserve for inventories was created to represent the portion of the fund balance that is not available for expenditure because the Sheriff expects to use those resources within the next budgetary period.

NOTE S - RISK MANAGEMENT

The Sheriff is a member of the Louisiana Sheriff's Risk Management Program. The Fund was created to formulate, develop and administer a program of modified self-insuring for the Fund's membership, obtain lower costs for automobile and general liability insurance coverage and develop a comprehensive loss control program. The Sheriff pays an annual premium to the Fund for its coverage. The Sheriff's agreement with the Fund provides that the Fund will be self-sustaining through member premiums and will provide, through commercial reinsurance contracts, individual stop-loss coverage for member districts for claims in excess of \$1,000,000 with an excess limit of \$3,000,000.

NOTE T - SUBSEQUENT EVENT

In December 1996, the Sheriff entered into an agreement to purchase the Sidell Complex for \$700,000. The purchase will be financed by a local bank and has been approved by the State Bond Commission. The act of sale will take place in January 1997.

SUPPLEMENTAL INFORMATION

FIDUCIARY FUND TYPE - AGENCY FUNDS

ST. TAMMANY PARISH SHERIFF
St. Tammany Parish, Louisiana

FIDUCIARY FUND TYPE - AGENCY FUNDS

As of and for the Year Ended June 30, 1996

SHERIFF'S FUND

The Sheriff's Fund accounts for funds held in connection with civil suits, sheriff's sales, and garnishments. It also accounts for the collections of bonds, probation fees, and disbursement of these collections, in accordance with applicable law.

TAX COLLECTOR FUND

Article V, Section 27 of the Louisiana Constitution of 1974, provides that the Sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund accounts for the collection and distribution of these taxes and fees to the appropriate taxing bodies.

INMATE FUND

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

FINES AND COST FUND

The Fines and Cost Fund accounts for the collection and settlement of fines and costs received by the courts in accordance with applicable laws.

ST. TAMMANY PARISH GOVERNMENT
 St. Tammany Parish, Louisiana

PROCESSED FUND TYPE - AGENCY FUNDS

COMPARING BALANCE SHEET

June 30, 1999

	<u>ASSETS</u>	<u>TAX COLLECTION</u>	<u>POSTAGE FUND</u>	<u>PARISH GOVT.</u>	<u>TOTAL</u>
<u>ASSETS</u>					
Cash and cash equivalents	\$ 608,713	\$ 6,282,126	\$ 37,868	\$ 219,667	\$ 7,208,319
Due from other funds		<u>37,085</u>			<u>37,085</u>
<u>TOTAL ASSETS</u>	\$ 608,713	\$ 6,319,211	\$ 37,868	\$ 219,667	\$ 7,208,319
<u>LIABILITIES</u>					
Due to taxing bodies	\$ 608,713	\$ 6,114,605	\$ 37,868	\$ 219,667	\$ 7,208,319
Due to others					

ST. TAMMANY PARISH BOARDS
28, Tremont Park, Louisiana

REGULARY FUNDED - BENEVOLENCE

COMPARISON STATEMENT OF CHANGES IN BALANCE SHEET TO
1990-1991 AND 1991-1992
For the year ending June 30, 1992

	1991-1992	1990-1991	1991-1992	1990-1991	1991-1992
BALANCE AT BEGINNING OF YEAR	\$ 578,000	\$ 8,007,881	\$ 27,700	\$ 288,388	\$ 8,082,879
ADDITIONS					
Donations	5,158,752				5,158,752
State's share	480,000			3,846,000	4,326,000
Grant			279,874		279,874
From endowments		154,190,004	5,300		154,195,304
Other amounts		853,000			853,000
Total 1991, etc. (68)					
In the calendar					
Interest				5,721	5,721
Total additions	<u>5,638,852</u>	<u>154,993,004</u>	<u>5,300</u>	<u>3,851,821</u>	<u>158,989,178</u>
Total	<u>4,059,852</u>	<u>162,971,581</u>	<u>5,600</u>	<u>4,280,209</u>	<u>167,972,057</u>
DEDUCTIONS					
Taxes, fees, etc.	288,284	108,100,001			108,388,285
ADULTS-TO-TOGO					
Booker and others	45,800			459,021	459,021
Depreciation	89,890			788,388	878,278
State's share of fund					
Club at Court	2,108,877				2,108,877
Lighting and equipment	60,400			38,000	98,400
Other work	28,700				28,700
Advertisements					
Carroll Agency				548,870	548,870
Public Job				1,713,218	1,713,218
Judicial Expense Fund				91,280	91,280
Subject certain board				428,590	428,590
Refund to individuals	192,743			8,800	201,543
Other refunds	288,880		287,281		576,161
Total deductions	<u>3,507,880</u>	<u>108,198,001</u>	<u>287,281</u>	<u>3,893,388</u>	<u>111,873,171</u>
BALANCE AT END OF YEAR	\$ 588,000	\$ 4,418,000	\$ 27,800	\$ 289,000	\$ 7,589,708

Dr. Tammy's Public Goods
 Dr. Tammy's Public Goods

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

For the Year Ended June 30, 2008

Federal Grant/Pass-Through Grant or Program - Title	FY08 CFOA NUMBER	Grant FUND	Total Grant AMOUNT	Federal FINANCIAL ASSISTANCE AMOUNT	Cash Revenues	Revenue Reimbursed	Reimbursable Expenses	Amounts Obligated Through Revenue Receipts
Federal Emergency Management Agency Federal Emergency Management Agency Military Department - Office of Emergency Preparedness, FEMA-40508-DOLA	60278		\$ 17,404 \$	\$ - \$	\$ 17,404 \$	\$ 0 \$	\$ - \$	\$ -
United States Department of Justice Federal Bureau of Investigation Department of Law Enforcement and Administration of Criminal Justice	60279	655-955-000000	\$ 60,000 \$	\$ 11,000 \$	\$ 60,000 \$	\$ 0 \$	\$ 0 \$	\$ -
	60279	000-000-000000	\$ 0 \$	\$ 0 \$	\$ 0 \$	\$ 0 \$	\$ 0 \$	\$ 0 \$
Federal Agency: FBI, 5495 Administration - Department of Justice, Federal Bureau of Investigation, Federal Bureau of Investigation, Federal Bureau of Investigation, Federal Bureau of Investigation, Federal Bureau of Investigation - Project # 00 1000	60280	655-955-010000	\$ 4,000 \$	\$ 1,000 \$	\$ 0 \$	\$ 0 \$	\$ 0 \$	\$ -
Other Federal Assistance United States Department of Justice - Drug Enforcement Administration	9000	000-00-000000	\$ 3,400 \$	\$ - \$	\$ 3,400 \$	\$ 0 \$	\$ 0 \$	\$ -

Note: The Dr. Tammy's Public Goods did not have major programs for the year ended June 30, 2008. All
of the Federal Financial Assistance programs listed above are non-major programs.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE

The Honorable Rodney A. Strain, Jr.
St. Tammany Parish Sheriff
St. Tammany Parish, Louisiana

We have audited the general purpose financial statements of the St. Tammany Parish Sheriff as of and for the year ended June 30, 1996, and have issued our report thereon dated December 6, 1996.

We conducted our audit in accordance with generally accepted auditing standards in the Government Auditing Standards, issued by the Comptroller General of the United States; the provisions of the Compliance Supplement for Single Audits of State and Local Governments; and Circular A-133, Audit of State and Local Governments, published by the Office of Management and Budget. These 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 St. Tammany Parish Sheriff is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that the 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 the St. Tammany Parish Sheriff, for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation; and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

The Honorable Rodney J. Smith, Jr.
St. Tammany Parish Sheriff

Our consideration of the internal control structure policies and procedures used in administering Federal financial assistance would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. 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 noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected with a timely period by employees in the normal course of performing their assigned functions. We raised no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above. However, we have provided written recommendations to the management of the St. Tammany Parish Sheriff in a separate letter dated December 6, 1996 that we feel would improve the present internal control structure.

This report is intended solely for the use of management and others within the organization as well as the Louisiana Legislative Auditor and should not be used for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Smith, Havel & Associates, L.L.C.

December 6, 1996

Smith, Hurst & Associates, L.L.C.

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James K. Smith, CPA

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS

The Honorable Rodney J. Strain, Jr.
St. Tammany Parish Sheriff
St. Tammany Parish, Louisiana

We have audited the general purpose financial statements of the St. Tammany Parish Sheriff as of June 30, 1998, and for the year then ended, and have issued our report thereon dated December 6, 1998.

We conducted our audit in accordance with generally accepted auditing standards in the *Government Auditing Standards*, issued by the Comptroller General of the United States; the provisions of the *Compliance Supplement for Single Audits of State and Local Governments*; and *Circle A-178, Auditing of State and Local Governments*, published by the Office of Management and Budget. These 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, regulations, contracts and grants applicable to the St. Tammany Parish Sheriff is the responsibility of management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of Sheriff's compliance with certain provisions of laws, regulations, contracts and grants. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

Material instances of noncompliance are failures to follow requirements, or violations of prohibitions, contained in statutes or regulations that cause us to conclude that the aggregation of the misstatements resulting from those failures or violations is material to the general purpose financial statements. The results of our tests of compliance disclosed the following instance of noncompliance.

The Sheriff did not obtain bids for certain vehicle procurements that exceeded \$15,000 as required by Louisiana Revised Statute 38:2212 A(1)(a). This instance occurred due to management's misinterpretation of the bid law requirements. We have advised the Sheriff of the provisions of this statute and the importance of this compliance. The Sheriff has subsequently implemented procedures to insure compliance with the bid law.

The Honorable Rodney J. Straub, Jr.
St. Tammany Parish Sheriff

We considered this instance of noncompliance in forming our opinion on whether the June 30, 1996 general purpose financial statements are presented fairly, in all material aspects, in conformity with generally accepted accounting principles and this report does not affect our report dated December 6, 1996 on those general purpose financial statements.

This report is intended for management and others within the organization as well as the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Smith, Harold B. Associates, L.L.C.

December 6, 1996

Smith, Hurst & Associates, L.L.C.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL ACCOUNTING AND ADMINISTRATIVE CONTROLS - FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable Rodney J. Strain, Jr.
St. Tammany Parish Sheriff
St. Tammany Parish, Louisiana

We have audited the general purpose financial statements of the St. Tammany Parish Sheriff, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 6, 1996.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and Office of Management and Budget Circular A-128, *Audits of State and Local Governments*. These standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and about whether the St. Tammany Parish Sheriff complied with laws and regulations, noncompliance with which would be material to a federal financial assistance program.

In planning and performing our audit for the year ended June 30, 1996, we considered the internal control structure of The St. Tammany Parish Sheriff in order to determine our auditing procedures for the purpose of expressing our opinion on the St. Tammany Parish Sheriff's general purpose financial statements and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated December 6, 1996.

The management of the St. Tammany Parish Sheriff is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance

The Honorable Rodney J. Strain, Jr.
St. Tammany Parish Sheriff

with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance 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.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs into the following categories: Accounting controls - cash receipts, cash disbursements, budgeting, and payroll; Administrative controls - political activities, civil rights, cash management, federal financial reporting, allowable cost, administrative requirements, types of services allowed or unallowed, matching, level of effort or cost-sharing, and claims for advances and reimbursements.

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended June 30, 1996, the St. Tammany Parish Sheriff had no major federal financial assistance programs and expended 100 percent of its total federal financial assistance under the following nonmajor federal financial assistance programs:

- U.S. Department of Justice
Louisiana Commission on Law Enforcement
- National Highway Traffic Safety Administration
Department of Transportation Community Traffic Safety Program
- Federal Emergency Management Agency
Office of Emergency Preparedness

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we have considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the aforementioned nonmajor programs. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

The Honorable Rodney J. Strala, Jr.
St. Tammany Parish Sheriff

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. 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 noncompliance with laws and regulations that would be material to a Federal financial assistance program may occur and not be detected with a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above. However, we have provided written recommendations to the management of the St. Tammany Parish Sheriff in a separate letter dated December 6, 1996 that we feel would improve the present internal control structure.

This report is intended solely for the use of management and others within the organization as well as for Louisiana Legislative Auditor and should not be used for any other purpose. However, this report is a matter of public record and its distribution is not limited.

Smith, Havel & Associates, L.L.C.

December 6, 1996

Smith, Huval & Associates, L.L.C.

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH GENERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable Rodney J. Strain, Jr.
St. Tammany Parish Sheriff
St. Tammany Parish, Louisiana

We have audited the general purpose financial statements of the St. Tammany Parish Sheriff as of and for the year ended June 30, 1996, and have issued our report thereon dated December 8, 1996.

We have applied procedures to test the St. Tammany Parish Sheriff's compliance with the following general requirements applicable to its federal programs, which are identified in the accompanying schedule of federal financial assistance for the year ended June 30, 1996:

- * Political activity
- * Civil rights
- * Cash management
- * Federal financial reports
- * Allowable costs
- * Administrative requirements

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's *Compliance Supplement for Single Audits of State and Local Governments*. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the St. Tammany Parish Sheriff's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the result of our procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the St. Tammany Parish Sheriff has not complied, in all material respects, with these requirements.

This report is intended for the information of management and others within the organization as well as the Louisiana Legislative Auditors. However, this report is a matter of public record and its distribution is not limited.

December 8, 1996

Smith, Huval & Associates, L.L.C.

Smith, Hurst & Associates, L.L.C.

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NOMINATOR FEDERAL FINANCIAL ASSISTANCE PROGRAMS

The Honorable Rodney J. Straub, Jr.
St. Tammany Parish Sheriff
St. Tammany Parish, Louisiana

We have audited the general purpose financial statements of the St. Tammany Parish Sheriff as of and for the year ended June 30, 1996, and have issued our report thereon dated December 6, 1996.

In connection with our audit of the general purpose financial statements of the St. Tammany Parish Sheriff, and with our consideration of the St. Tammany Parish Sheriff's control structure used to administer federal financial assistance programs, as required by Office of Management and Budget (OMB) Circular A-128, Audit of State and Local Governments, we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1996. As required by OMB Circular A-128, we performed auditing procedures to test compliance with the requirements governing allowable costs, reporting, claims for advances and reimbursements, matching and special requirements that are applicable to these transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the St. Tammany Parish Sheriff's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of our procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the St. Tammany Parish Sheriff had not complied, in all material respects, with those requirements.

This report is intended for the information of management and others within the organization as well as the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Smith, Hurst & Associates, L.L.C.

December 6, 1996