

ORIGINAL  
FILE COPY  
DO NOT SEND OUT  
Please identify  
which item the  
copy was made  
BACK to FILE

RECEIVED

JAN 07 1998

LABORATORY CENTER

98761764  
2073

# LAFORCHE PARISH SHERIFF

Thibodaux, Louisiana

## General Purpose Financial Statements With Supplemental Information Schedules And Independent Auditor's Reports

As of and for the Year Ended June 30, 1998

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, copy and other appropriate public officials. The report is available for public inspection at the State Board of Auditors, 1000 Louisiana State Capitol Building, Baton Rouge, Louisiana 70804, or at the office of the parish clerk of court.

Released Date: FEB 17 1998

T. S. KEARNS, INC.

Chartered Accountants  
Suite 2, Keamsville, 1998  
101 Canal Boulevard, Thibodaux, LA 70311  
Phone: 985-887-7337 Fax: 985-887-7337

**LAFOURCHE PARISH SHERIFF**  
 Thibodaux, Louisiana

General Purpose Financial Statements  
 With Supplemental Information Schedules  
 And Independent Auditor's Report

As of and for the Year Ended June 30, 1999

**TABLE OF CONTENTS**

	<b>Statement</b>	<b>Page</b>
Independent Auditor's Report on the General Purpose Financial Statements		2
<b>General Purpose Financial Statements:</b>		
Combined Balance Sheet - All Fund Types and Account Groups	A	3
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	B	4
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP) and Actual - Governmental Funds	C	5
Notes to the Financial Statements		6 - 20
	<b>Schedule</b>	
<b>Supplemental Information Schedules:</b>		
Combined Balance Sheet - Special Revenue Funds	1	21
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance - Special Revenue Funds	2	22
Combined Balance Sheet - Fiduciary Funds - Agency Funds	3	23
Combined Schedule of Changes in Balances Due to Taxing Bodies and Others - Fiduciary Funds - Agency Funds	4	24
Schedule of Collections, Distributions, and Unsettled Balances - Tax Collector Agency Fund	5	25
Summary Schedule of Prior Audit Findings	6	26
Corrective Action Plan for Current Year Audit Findings	7	27
<b>Other Report Required by Governmental Auditing Standards:</b>		
Report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with Governmental Auditing Standards		28 - 29

# T.S. KEARNS & CO.



## INDEPENDENT AUDITOR'S REPORT

Honorable Craig Weber  
Lafourche Parish Sheriff  
Thibodaux, Louisiana

We have audited the accompanying general purpose financial statements of the Lafourche Parish Sheriff, State of Louisiana, as of and for the year ended June 30, 1998, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Lafourche Parish Sheriff's management. 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 the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Lafourche Parish Sheriff as of June 30, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated December 9, 1998 on our consideration of the Lafourche Parish Sheriff's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the Lafourche Parish Sheriff, taken as a whole. The accompanying supplemental information as 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. 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.

December 9, 1998

TIMOTHY S. KEARNS  
REGISTERED ACCOUNTANT  
Chartered - Public Accountant

Professional Corporation  
400 South Boulevard, Suite 1100  
Baton Rouge, Louisiana 70801  
504-383-4444  
tsk@tskcpa.com

**LACROSSE PARISH SHERIFF**

Thibodaux, Louisiana

**ALL FUND TRUSTS AND ADDITIONAL DEBITS**

Combined Balance Sheet, June 30, 1998

Statement A

	GOVERNMENTAL FUND - SPECIAL REVENUE FUND		SECURITY FUND - POLICE AGENCY FUND		MISCELLANEOUS FUND - POLICE AGENCY FUND		TOTAL MISCELLANEOUS FUND
<b>ASSETS AND OTHER DEBITS</b>							
Assets:							
Cash and cash equivalents	288,871	10,888	1,850,272				2,149,931
Investments, if any:	1,882,219						1,882,219
Receivables:							
Taxes	18,125						18,125
GRAs	14,405						14,405
Due from other governments	1,397,416						1,397,416
Due from other funds							
Land, buildings, and equipment	15,817						15,817
Other debts, amount to be provided for retirement of general long-term obligations				4,142,176			4,142,176
	<u>2,884,417</u>	<u>10,888</u>	<u>1,850,272</u>	<u>4,142,176</u>	<u>0</u>	<u>0</u>	<u>8,087,753</u>
							<u>8,087,753</u>
<b>LIABILITIES, EQUITY, AND OTHER CREDITS</b>							
Liabilities:							
Accounts payable and accrued salaries	266,000						266,000
Deferred and unearned revenues	170,845						170,845
Due to other funds			11,877				11,877
Due to other governments			1,419,280				1,419,280
Due to other liabilities and others							
Due to reserves		15,734					15,734
Contingent liabilities							
Substantive							
Capital of individuals							
Total Liabilities	<u>436,845</u>	<u>15,734</u>	<u>1,431,157</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,983,736</u>
Equity and Other Credits:							
Investments in general plant assets							
Fixed assets:							
Land	49,184						49,184
Buildings and improvements	2,301,889						2,301,889
Equipment - 200 vehicles	29,000						29,000
Construction - in progress	3,970,247						3,970,247
Due to and from other funds							
Total Equity and Other Credits	<u>4,840,320</u>	<u>87,873</u>	<u>1,850,272</u>	<u>4,142,176</u>	<u>0</u>	<u>0</u>	<u>10,920,641</u>
							<u>10,920,641</u>
	<u>2,884,417</u>	<u>10,888</u>	<u>1,850,272</u>	<u>4,142,176</u>	<u>0</u>	<u>0</u>	<u>8,087,753</u>

The accompanying notes are an integral part of this statement.

**LAFOURCHE PARISH SHERIFF**  
**Thibodaux, Louisiana**  
**GOVERNMENTAL FUNDS**

**Combined Statement of Revenues, Expenditures,  
 and Changes in Fund Balance**  
**For the Year Ended June 30, 1995**

	GENERAL FUND	SPECIAL REVENUE FUNDS	TOTAL (Memorandum)
	<u>0000</u>	<u>0000</u>	<u>0000</u>
<b>REVENUES</b>			
Ad valorem taxes	\$ 2,442,947		\$ 2,442,947
Sales and use taxes	6,009,158		6,009,158
Intergovernmental	1,485,078	92,808	1,487,733
Charges for services	1,325,000		1,325,000
Fines/fees and restitution		81,845	81,845
Commissions		18,308	18,308
Miscellaneous	174,145	658	174,778
Total revenues	<u>11,386,326</u>	<u>192,612</u>	<u>11,577,938</u>
<b>EXPENDITURES</b>			
Public safety:			
Salaries and related benefits	6,037,185	28,150	6,065,318
Operating expenses	729,278	19,800	749,078
Law enforcement expenditures:	585,680	54,898	640,578
Intergovernmental		18,562	18,562
Repairs and maintenance	543,880	300	544,180
Debt service	181,152		181,152
Capital outlay	600,665	31,338	632,003
Total expenditures	<u>8,727,711</u>	<u>148,196</u>	<u>8,875,907</u>
<b>EXCESS (deficiency) OF REVENUES OVER EXPENDITURE</b>	2,658,615	4,416	2,663,031
<b>OTHER FINANCING SOURCES (uses)</b>			
Sales of surplus property	8,603		8,603
Transfer (to) from other funds	(22,888)	22,888	0
Loan proceeds	200,000		200,000
Loan payments	(200,000)		(200,000)
Total other financing sources (uses)	<u>(14,285)</u>	<u>22,888</u>	<u>8,603</u>
<b>EXCESS (deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	2,644,330	27,304	2,671,634
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	1,874,814	91,441	1,966,255
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 2,517,844</u>	<u>\$ 119,002</u>	<u>\$ 2,636,846</u>

The accompanying notes are an integral part of this statement.



**LAFOURCHE PARISH SHERIFF**  
Thibodaux, Louisiana  
**Notes to the Financial Statements**  
*As of and for the Year Ended June 30, 2008*

**INTRODUCTION**

As provided by Article V, Section 27, of the Louisiana Constitution of 1974, the Lafourche Parish Sheriff (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, and serving subpoenas.

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

The accompanying general purpose financial statements of the Sheriff 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**

Under Governmental Accounting and Financial Standards Section 2100, the financial reporting entity consists of the primary government and its component units. As the governing authority of the parish, the Lafourche Parish Council is considered to be the primary government for financial reporting purposes for the Parish of Lafourche.

Component units are defined as legally separate organizations for which the elected officials of the primary government are financial accountability. The criteria used in determining whether financial accountability exists include:

1. Appointing a voting majority of an organization's governing body.
- a. The ability of the council 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 council.
2. Organizations for which the council does not appoint a voting majority but are fiscally dependent on the council.
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.

Management has determined that the Lafourche Parish Sheriff is not considered a component unit of the parish if applying the criteria above. Instead the Sheriff is

## LAFOURCHE PARISH SHERIFF

Thibodaux, Louisiana

Notes to the Financial Statements

As of and for the Year Ended June 30, 1995

considered to be a "mandated" special purpose government. This decision is based on the following:

- 1) The Sheriff enjoys a separate legal standing from the Parish Council and other governmental entities. The Sheriff has the ability to sue or be sued in its own name.
- 2) The Parish Council does not appoint the Sheriff. The Sheriff's position was created by Article V, Section 27 of the Louisiana Constitution of 1974. The Sheriff is a separately elected official elected by the citizenry in a general, popular election.
- 3) The Parish Council does not have the ability to impose its will on the Sheriff. The Parish Council cannot remove the Sheriff from office. The Sheriff adopts its own budget separate and apart from the Parish Council and other local governmental entities. The day-to-day operations of the Sheriff's office are under the responsibility and control of no one other than the Sheriff.
- 4) The Sheriff does not provide a significant financial benefit or burden to the Parish Council. While the Parish Council does provide the Sheriff with a certain amount of its office space at no cost and pays a certain amount of operating expenses on behalf of the Sheriff, these transactions are not considered significant enough to make the Parish Council financially accountable for the Sheriff's Office.
- 5) The Sheriff is not fiscally dependent on the Parish. The primary sources of funding for the Sheriff include ad valorem taxes, sales tax revenue, and commissions earned from collecting fines, licenses and fees on behalf of other governmental entities. The Parish Council does not have the authority to approve or modify the Sheriff's budget. The Law Enforcement District, of which the Sheriff serves as Chief Executive Officer, can levy taxes and issue debt without approval of the Parish Council.

Therefore, the accompanying financial statements of the Sheriff are separate and apart from the Parish Council. The financial statements only include all of funds and account groups, as well as component units, of the Sheriff. Additionally, the collections and disbursements handled by the Sheriff in his capacity as the Ex-Officio Tax Collector of Lafourche Parish are reported within the Sheriff's financial report as an Agency Fund.

### C. FUND ACCOUNTING

The sheriff 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.



**LAFOURCHE PARISH SHERIFF**  
Thibodaux, Louisiana  
Notes to the Financial Statements  
As of and for the Year Ended June 30, 1998

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 sheriff are classified into two categories: governmental and fiduciary. These funds are described as follows:

**Governmental Funds:**

**General Fund**

The General Fund, as provided by Louisiana Revised Statute (R.S.) 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 source of revenue is an ad valorem tax levied by the law enforcement district. Other sources of revenue include commissions on state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance and maintenance of prisoners, et cetera. General operating expenditures are paid from this fund.

**Special Revenue Funds**

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

**Fiduciary Funds:**

**Agency Funds**

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from these funds are made to various parish agencies, litigants in suits, et cetera, 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.

**D. Account Groups**

The two account groups are not "funds". They are concerned only with the measurement of financial position, not with the measurement of results of operations. The account groups presented in the accompanying financial statements are described as follows:

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

**LAFOURCHE PARISH SHERIFF**  
Thibodaux, Louisiana  
Notes to the Financial Statements  
As of and for the Year Ended June 30, 1998

General Long Term Debt Account Group - This group of accounts is established to account for all of the general long-term liabilities of the Lafourche Parish Sheriff.

**E. 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 General Fund is 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, (except for the Tax Collector Agency Fund, which is prepared on the cash basis of accounting, which approximates the modified accrual basis of accounting). The General 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. Ad valorem taxes and the related state revenue sharing (intergovernmental revenue) are considered "measurable" at the time of levy. Sales and use taxes are recorded when they become both measurable and available to finance expenditures of the fiscal period. Intergovernmental revenues (federal and state grants) are recorded as revenue when the Sheriff is entitled to the funds. Fines and forfeitures, and miscellaneous revenues are recorded as revenues when received in cash by the Sheriff or an intermediary-collecting agency because they are generally not measurable until actually received. Charges for services are recorded when earned since they are measurable and available.

**Expenditures**

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

**Other Financing Sources (Uses)**

Proceeds from the sale of fixed assets are accounted for as other financing sources and are recognized when received. Fixed assets acquired through capital leases are recorded as expenditures and other financing sources at the time of acquisition. Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the Sheriff authorizes the transfer.

**F. BUDGET PRACTICES**

As required by the Louisiana Revised Statutes 39:1304-1314, the Sheriff adopted a budget for the General Fund and Special Revenue Funds for the year ending June

**LAFOURCHE PARISH SHERIFF**  
**Thibodaux, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 1998**

30, 1998. The Sheriff, as required by state law, to obtained public participation in the budget process. The budget was amended during the year in accordance with state law. All budgeted amounts that are not expended, or obligated through contracts, lapse at year-end.

The General Fund and Special Revenue Funds budgets are adopted on a basis materially consistent with generally accepted accounting principles.

**G. ENCUMBRANCES**

The Sheriff does not utilize encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded in the fund general ledgers.

**H. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits, interest-bearing demand deposits. Cash equivalents also include amounts in time deposits and those other investments with original maturities of 90 days or less. 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. The collections must be deposited in a bank domiciled in the parish where the funds are collected.

**I. INVESTMENTS**

Investments are limited by R.S. 33:2955 and the Sheriff's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are recorded at quoted market prices. The Sheriff also classifies as investment those investments with original maturities of 90 days or less if it is intended that those investments be held for a longer period of time.

**J. INVENTORY**

Physical inventories consist of expendable supplies held for consumption. Because inventories are expended within one operating cycle they are recorded as expenditures when purchased and are not recorded as an inventory asset.

**K. RESERVES AND DESIGNATIONS OF FUND BALANCE**

Reserves are the governmental funds represent portions of fund balances that are not appropriate for expenditures or have been segregated for specific future uses, while designations of fund balances represent tentative plans for financial resource utilization in a future period.

**LAFOURCHE PARISH SHERIFF**  
Thibodaux, Louisiana  
Notes to the Financial Statements  
As of and for the Year Ended June 30, 1998

**L. GENERAL 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 Lafourche Parish Council 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.

**M. LONG-TERM DEBT**

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

**N. COMPENSATED ABSENCES**

Accumulated vacation and sick leave are recorded as an expenditure of the period in which paid in all Governmental Funds. Employees of the Sheriff can earn 80 hours per year of sick leave and have no limit to accumulation. Sick leave is forfeited upon termination. Employees of the Sheriff can earn between 80 or 100 hours per year vacation leave, depending on their length of employment. Accumulated vacation leave is due to the employee at the time of termination. The vacation policy provides that employees are to take vacation within one year of being earned, with a carryover provision to sick leave if not taken.

Certain employees classified as non-law enforcement personnel, non-sworn law enforcement personnel, or supervisors who are exempt from the Fair Labor Standards Act may accumulate either compensatory time or overtime pay. Upon termination these employees may be paid for accumulated unused compensatory time at an "hour for hour" rate.

The Sheriff accounts for compensated absences in accordance with GASB No. 16. Because the current and measured portion cannot be reasonably estimated, all costs are considered noncurrent and are included in the general long term account group.

**O. TOTAL (MEMORANDUM ONLY) COLUMNS ON COMBINED STATEMENTS**

The total columns on the combined statements - overview 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.

**LAFOURCHE PARISH SHERIFF**  
Thibodaux, Louisiana  
Notes to the Financial Statements  
As of and for the Year Ended June 30, 1998

**NOTE 2 LEVIED TAXES**

Ad valorem taxes are levied on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Parish. Assessed values are established by The Lafourche Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A revaluation of all real property is required to be completed no less than every four years. Taxes are due and payable December 31st with interest being charged on payments after January 1st. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The tax rate for the year ended June 30, 1998 was \$19.27 per \$1,000 of assessed valuation on property within the Parish for the purpose of maintaining and operating the Sheriff's office.

**NOTE 3 CASH AND CASH EQUIVALENTS**

At June 30, 1998, the sheriff has cash and cash equivalents (book balances) totaling \$ 2,232,607 as follows:

Interest-bearing demand deposits	<u>\$ 2,232,607</u>
----------------------------------	---------------------

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 1998, the Sheriff has \$ 4,615,604 in deposits (collected bank balances). These deposits are secured from risk by federal deposit insurance (GASB Category 1) and/or secured from risk by pledged securities held by the Sheriff's agent in the Sheriff's name (GASB Category 1).

**NOTE 4 INVESTMENTS**

Investments are categorized into three three categories of credit risk:

1. Insured or registered, or securities held by the sheriff or its agent in the sheriff's name
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the sheriff's name
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the sheriff's name

**LAFOURCHE PARISH SHERIFF**  
**Thibodaux, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 1998**

At fiscal year-end, the sheriff's investment balances were as follows:

Type of Investment	Category			Carrying	Total
	1	2	3	Amount	
				Fair	Carrying
				Value	Amount
Money Market	\$ 302,143			\$ 302,143	\$ 302,143
Louisiana Asset Management Pool	1,686,162			1,686,162	1,686,162
<b>Total</b>	<b>\$ 1,988,305</b>			<b>\$ 1,988,305</b>	<b>\$ 1,988,305</b>

**NOTE 5 RECEIVABLES**

The receivables of \$ 225,675 at June 30, 1998, are as follows:

	General
	Fund
Ad Valorem taxes	\$ 155,270
Amounts due for commissions	35,762
Amounts due for restitutions	33,673
Amounts due for off duty detail	21,770
<b>Total</b>	<b>\$ 225,675</b>

The Sheriff considers all receivables to be collectible, therefore, no allowance has been established for doubtful accounts.

**LAFOURCHE PARISH SHERIFF**

Thibodaux, Louisiana

Notes to the Financial Statements

As of and for the Year Ended June 30, 1998

**NOTE 6 DUE FROM OTHER GOVERNMENTS**

The amounts due from other governments of \$ 1,397,479 at June 30, 1998 are as follows:

	<u>General Fund</u>
State of Louisiana:	
Supplemental pay	\$ 48,127
Maintenance of prisoners	11,928
Mental health detail	7,768
Housing authority detail	7,408
Votes poker	81,428
Governor's clean-up program	3,120
Backlog Louisiana	895
	<u>182,633</u>
Federal Government:	
Victims assistance grant	28,200
Cops grant	48,790
	<u>76,990</u>
Lafourche Parish Council:	
Maintenance of prisoners	44,823
Animal control	3,977
Council on aging meal on wheels	9,429
Jail millerent	58,155
	<u>117,384</u>
Lafourche Parish School Board:	
Sales tax	1,026,587
PASS contract	18,889
	<u>1,045,476</u>
Miscellaneous	<u>4,889</u>
Total	\$ <u>1,397,479</u>

**LAFOURCHE PARISH SHERIFF**  
 Thibodaux, Louisiana  
 Notice to the Financial Statements  
 As of and for the Year Ended June 30, 1995

**NOTE 7 CHANGES IN GENERAL FIXED ASSETS**

A summary of changes in general fixed assets follows:

	Land & Buildings	Machinery & Equipment	Total
Balance at June 30, 1997	\$ 249,548	3,668,983	3,918,531
Adjustment due to physical inventory count and valuation based on estimated original cost		<u>361,505</u>	<u>361,505</u>
Revised balance at June 30, 1997	249,548	3,007,478	3,257,026
Additions	108,388	732,789	841,177
Deletions		<u>(7,525)</u>	<u>(7,525)</u>
Total	<u>\$ 467,932</u>	<u>3,734,952</u>	<u>4,202,884</u>

**NOTE 8 PENSION PLAN**

*Plan Description.* Substantially all employees of the Lafourche Parish Sheriff's Office are members of the Louisiana Sheriff's Pension and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All sheriffs and all deputies who are found to be physically fit, who earn at least \$400 per month, and who were between the ages of 18 and 50 at the 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 19 years, 2.75 percent for each year if total service is at least 19 but less than 20 years, and 3 percent for each year if total service is at least 20 years (Act 1117 of 1985 increased the accrual rate by 0.25 percent for all service rendered on or after January 1, 1985.) In any case, the retirement benefit cannot exceed 100 percent of their final-average salary. Final-average salary is the employer's average salary over the 36 consecutive or joint months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously.



## **LAFOURCHE PARISH SHERIFF**

**Thibodaux, Louisiana**

**Notes to the Financial Statements**

**As of and for the Year Ended June 30, 1998**

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 or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Sheriffs Pension and Relief Fund, Post Office Box 3163, Monroe, Louisiana 71220, or by calling (318) 362-3191.

**Funding Policy:** Plan members are required by state statute to contribute 7.2 percent of their annual covered salary and the Lafourche Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 5.0 percent of annual covered payroll. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Lafourche Parish Sheriff are established and may be amended by state statute. As provided by R.S. 11:1003, 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 Lafourche Parish Sheriff's contributions to the System for the years ending June 30, 1995, 1997, and 1998, were \$ 270,918, \$ 200,429, and \$ 197,245, respectively, equal to the required contributions for each year.

### **NOTE 9 OTHER POSTEMPLOYMENT BENEFITS**

The Lafourche Parish Sheriff provides certain continuing health care and life insurance 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 are provided through an insurance company whose monthly premiums are paid jointly by the employee and the Sheriff who each pay 50% of the premiums. The Sheriff recognizes the cost of providing these benefits (the Sheriff's portion of premiums) as an expenditure when the monthly premiums are due.

Future liabilities under the Sheriff's plan for potentially eligible employees are dependent upon the age and length of service of those employees. The average employee age and service years are not available. At June 30, 1998 there were very few retired employees receiving benefits, and the total cost was not material.

### **NOTE 10 DEFERRED COMPENSATION PLAN**

Employees of the Lafourche Parish Sheriff have the option to participate in a deferred compensation program. The maximum compensation that may be deferred under the plan for the participant's taxable year shall not exceed the amount as defined by Internal Revenue Code Section 457. Additional deferrals are allowed in certain years prior to retirement.

## LAFOURCHE PARISH SHERIFF

Thibodaux, Louisiana

Notes to the Financial Statements

As of and for the Year Ended June 30, 1998

The Sheriff has the responsibility for withholding and reserving contributions from participants to the plan. Great-West Life, who serves as administrator, has the responsibility for maintaining a deferred account with respect to each participant, investing the participant's account in accordance with the participant's investment specification and reporting annually to the participant on the status of the plan. All assets of the plan, including all deferred amounts and all income attributable to such deferred amounts, are the assets of the State of Louisiana and are subject to all the claims of creditors of the State of Louisiana. Legally, the amounts deferred are the property of the State of Louisiana, even though the funds have been earned by the employee and represent a portion of the employee's gross salary. Legal ownership of the plan assets does not vest with the employee until these amounts become due and payable to the employee under the terms of the plan. A participant who becomes eligible to receive distributions from the plan but chooses instead to receive the deferred amounts over a period of time remains a general creditor the same as those participants who are still active or otherwise ineligible. If the deferred amounts and related earnings are placed in a legal trust for the participants or are otherwise beyond the reach of the government or its general creditors at any time before actual payment, these amounts become taxable income to the participants.

Assets of the plan are reported as an Agency Fund in the financial statements of the State of Louisiana. Receipts for individual funds are not being maintained.

### NOTE 11 - COMPENSATED ABSENCES

At June 30, 1998, employees of the sheriff have accumulated and vested \$342,523 of employee leave benefits, which was computed in accordance with GASB Codification Section 500. Because the current and noncurrent portion cannot be reasonably estimated, all costs are considered noncurrent and are included in the general long term account group.

**LAFOURCHE PARISH SHERIFF**  
**Thibodaux, Louisiana**  
**Notes to the Financial Statements**  
**As of and for the Year Ended June 30, 1998**

**NOTE 12: CHANGES IN AGENCY FUND BALANCES**

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

	Balance at Beginning of Year	Additions	Reductions	Balance at End of Year
Agency funds:				
Bond Fund	\$ 133,231	\$ 227,778	\$ (198,940)	\$ 162,069
Criminal Fine Fund	119,189	1,202,813	(1,287,717)	121,275
Sheriff's Fund	49,287	679,541	(715,459)	13,439
Tax Collector Fund	582,410	33,633,757	(29,898,558)	1,517,669
Total	<u>\$ 884,117</u>	<u>\$ 32,843,889</u>	<u>\$ (31,810,674)</u>	<u>\$ 1,619,363</u>

**NOTE 13: ANTICIPATION CERTIFICATE**

The Sheriff had a \$430,000 Anticipation Certificate at an interest rate of 5.4%. During the year ending June 30, 1998, the Sheriff borrowed \$200,000. The entire principal plus \$180 in interest was paid back within 6 days.

**NOTE 14: CHANGES IN GENERAL LONG-TERM OBLIGATIONS**

The following is a summary of long-term obligation transactions during the year:

	Compensated Absences	Notes Payable	Certificate of Indebtedness	Total
Long-term obligations payable of June 30, 1997	\$ 387,289	\$ 119,105	\$ 405,000	\$ 911,394
Additions		150,000		150,000
Deductions	(54,760)	(29,845)	(100,000)	(184,605)
Long-term obligations payable of June 30, 1998	<u>\$ 342,529</u>	<u>\$ 239,260</u>	<u>\$ 305,000</u>	<u>\$ 886,789</u>

**LAFOURCHE PARISH SHERIFF**  
Thibodaux, Louisiana  
**Notes to the Financial Statements**  
As of and for the Year Ended June 30, 1998

The Sheriff had an outstanding loan for the purchase of a building to house its patrol division. The annual interest rate is 5.75% with monthly installments of \$2,000. The note matures April 2003.

The Sheriff issued \$500,000 Certificates of Indebtedness, Series 1998 for the purpose of paying a portion of the cost of acquiring patrol cars, specialty vehicles, upgrading computer and telephone equipment, and to pay the costs incurred in connection with the issuance of the Certificates. The Certificates are secured and payable by annual revenues of the Sheriff's Office at an interest rate of 5.00% with a maturity date of April 2003.

The Sheriff had an outstanding loan for the purchase of a building to be used for storage. The annual interest rate is 0.99% with monthly installments of \$1,655. The note matures June 2007.

**NOTE 15. TAXES PAID UNDER PROTEST**

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 1998, as reflected on Statement A, include \$383,664 of taxes paid under protest and interest earned to date on the investment of these funds. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

**NOTE 16. RESERVATIONS AND DESIGNATIONS OF FUND BALANCES**

Explanations of the nature and purpose of the reserves and designations of fund balances are as follows:

Reserve for debt service - represents monies set aside to fund the next years debt service payments.

Reserve for drug interdiction - represents the amount of fund balance in the drug task force to be used solely for drug interdiction.

**NOTE 17. LITIGATION AND CLAIMS**

There is existing and threatened litigation pending against the Sheriff and its insurers. As advised by the Sheriff's attorney, all matters are covered by insurance.

**NOTE 18. EXPENDITURES OF THE SHERIFF'S OFFICE PAID BY THE PARISH COUNCIL**

The Lafourche Parish Council (a separate entity) provides the Sheriff with certain amounts of office space at no cost. In addition, the Parish is required by State statutes to pay a certain amount of the Sheriff's Office operating expenses. During the fiscal year ended June 30, 1998, the Parish paid operating expenditures on behalf of the Sheriff. These expenditures are not recorded on the books of the Sheriff.

**LAFOURCHE PARISH SHERIFF**  
Thibodaux, Louisiana  
Notes to the Financial Statements  
As of and for the Year Ended June 30, 1999

**NOTE 10 YEAR 2000 ISSUE**

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

The Lafourche Parish Sheriff is aware of the computer systems and other electronic equipment that may be affected by the Year 2000 issue and that are necessary to conducting operations. The Sheriff's office is in the remediation stage in that new accounting software has been selected and the need to replace other applications is being considered.

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

## Supplemental Information Schedules

## Special Revenue Funds

### Drug Task Force Fund

Monies in this fund are received from the U. S. Department of Justice through the State of Louisiana, Commission on Law Enforcement and Administration of Criminal Justice. The overall objective is to cause a major disruption of the drug distribution process in the Lafourche Parish area, as well as make a lesser impact on the geographical region.

### Commissary Fund

Monies in this fund are received from inmates when taken into custody and during their stay at the detention center. The inmates are allowed to purchase products with the funds held in trust. The Commissary does not maintain an inventory. Orders are placed with a third party after an inmate request products. When inmates are released, the balance of their funds are refunded.

**LAFOURCHE PARISH SHERIFF**  
**Thibodaux, Louisiana**  
**SPECIAL REVENUE FUNDS**

Combined Balance Sheet, June 30, 1998

	<u>DRUG TASK FORCE FUND</u>	<u>COMMISSARY FUND</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Assets:			
Cash and cash equivalents	\$ 87,510	\$ 48,158	\$ 135,668
<b>TOTAL ASSETS</b>	<b>\$ 87,510</b>	<b>\$ 48,158</b>	<b>\$ 135,668</b>
<b>LIABILITIES AND EQUITY</b>			
Liabilities:			
Due to inmates		\$ 13,734	\$ 13,734
<b>Total Liabilities</b>		<b>13,734</b>	<b>13,734</b>
Equity:			
Fund balances:			
Reserved for drug interdiction	\$ 87,510		87,510
Unreserved - undesignated		30,422	30,422
<b>Total Equity and Other Credits</b>	<b>87,510</b>	<b>30,422</b>	<b>118,932</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 87,510</b>	<b>\$ 48,158</b>	<b>\$ 135,668</b>



**LAFOURCHE PARISH SHERIFF**  
**Thibodaux, Louisiana**  
**SPECIAL REVENUE FUNDS**

Continued Statement of Revenues, Expenditures,  
 and Changes in Fund Balance  
 For the Year Ended June 30, 1998

	DEPT. TASH FORCE FUND	COMMISSARY FUND	TOTAL
<b>REVENUES</b>			
Intergovernmental - Federal grant	\$ 50,000		\$ 50,000
Ferretation and restitition	81,045		81,045
Commissions		\$ 18,300	18,300
Miscellaneous	638		638
Total revenues	<u>134,358</u>	<u>18,300</u>	<u>152,658</u>
<b>EXPENDITURES</b>			
Public safety:			
Salaries and related benefits	26,150		26,150
Operating expenses	15,211	4,681	19,892
Law enforcement expenditures	54,098		54,098
Intergovernmental	16,362		16,362
Repairs and maintenance	380		380
Capital outlay	26,487	4,923	31,410
Total expenditures	<u>159,526</u>	<u>9,604</u>	<u>169,130</u>
<b>EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES</b>	(25,168)	8,696	(16,472)
<b>OTHER FINANCING SOURCES (Uses)</b>			
Transfer from other funds	22,985		22,985
Total other financing sources (uses)	<u>22,985</u>		<u>22,985</u>
<b>EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	(2,183)	8,696	6,513
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>88,211</u>	<u>22,228</u>	<u>110,439</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 86,028</u>	<u>\$ 30,924</u>	<u>\$ 116,952</u>

## **Fiduciary Funds – Agency Funds**

### **Bond Fund**

This fund accounts for the collection of bonds taken to secure the appearance of an individual before the district court. If, at the time appointed, such person fails to appear and answer when called, the judge, on motion of the district attorney, can enter a judgment depriving the forfeiture of the bond. Deductions and distributions are made in the manner prescribed by order of the court.

### **Criminal Fines Fund**

This fund accounts for the collection of guilty pleas for traffic violations and for the collection of various other non-traffic violations and criminal offenses. In addition, the fund also collects all fines assessed by the district court. Deductions and distributions of these collections are made in the manner prescribed by law.

### **Sheriff's Fund**

The Sheriff's Fund accounts for funds held in civil suits, sheriff's sales, and garnishments. It also accounts for collections of bonds, fines, and costs and payment of these collections to the recipients in accordance with applicable laws.

### **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.

**LAFOURCHE PARISH SHERIFF**  
 Thibodaux, Louisiana  
**FIDUCIARY FUNDS - AGENCY FUNDS**

Combined Balance Sheet, June 30, 1995

	<u>BOND</u> <u>FUND</u>	<u>CRIMINAL</u> <u>FUND</u>	<u>SHERIFF'S</u> <u>FUND</u>	<u>TAX</u> <u>COLLECTOR</u> <u>FUND</u>	<u>TOTAL</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 907,008	\$ 121,278	\$ 13,438	\$ 1,508,488	\$ 1,830,212
<b>TOTAL ASSETS</b>	<u>\$ 907,008</u>	<u>\$ 121,278</u>	<u>\$ 13,438</u>	<u>\$ 1,508,488</u>	<u>\$ 1,830,212</u>
<b>LIABILITIES</b>					
Due to general fund				\$ 19,877	\$ 19,877
Due to taxing bodies and others	\$ 907,008	\$ 121,278	\$ 13,438	1,511,809	1,819,303
<b>TOTAL LIABILITIES</b>	<u>\$ 907,008</u>	<u>\$ 121,278</u>	<u>\$ 13,438</u>	<u>\$ 1,508,488</u>	<u>\$ 1,830,212</u>

**LAFOURCHE PARISH SHERIFF**  
 Thibodaux, Louisiana  
**REVENUE FUNDS - AGENCY FUNDS**

Condensed Schedule of Changes in Balances  
 Due to Timing Differences and Other  
 For the Year Ended June 30, 1999

	BOND FUND	GENERAL FUND	STATEMENT FUND	TAX COLLECTION FUND	TOTAL
<b>BALANCE AT BEGINNING OF YEAR</b>	\$ 108,731	\$ 170,580	\$ 41,387	\$ 362,445	\$ 683,143
<b>ADDITIONS</b>					
Deposits:					
Sheriff's sales & rents			336,464		
Bonds	237,778				
Fees and costs		1,504,450			
Contributions			304,133		
Taxes, fees, etc., paid for by outside				26,833,107	
Interest on investments		1,700			
Total additions	<u>237,778</u>	<u>1,506,150</u>	<u>336,464</u>	<u>26,833,107</u>	<u>30,913,489</u>
Total	396,000	1,446,000	708,000	21,776,707	30,796,807
<b>DEDUCTIONS</b>					
Taxes, fees, etc., distributed to bondholders and others	1,707			26,000,000	26,708,200
Deposits sent to:					
Sheriff		180,028	80,160		264,888
Parish Council		407,348			407,348
District Attorney	67,547	293,549			361,096
Clerk of Court		68,207	20,175		88,382
Judicial District Board		180,084			180,084
Jigants			274,270		274,270
Accounting, attorneys, appraisers, etc.			20,882		20,882
17th Judicial District Court Fund		73,200			73,200
LA Commission on Law Enforcement Reform/Leads	88,100	80,874			168,974
LA Department of Public Safety		27,580			27,580
Supreme Court of Louisiana		14,440			14,440
LA Rehabilitation Treatment Board/Leads		20,100			20,100
Other		18,882			18,882
Contributions			287,400		287,400
Total deductions	<u>93,954</u>	<u>1,287,717</u>	<u>372,617</u>	<u>26,000,000</u>	<u>28,594,288</u>
<b>BALANCE AT END OF YEAR</b>	\$ 114,777	\$ 121,076	\$ 18,770	\$ 1,577,545	\$ 1,822,168

**LAFOURCHE PARISH SHERIFF**  
**Thibodaux, Louisiana**  
**TAX COLLECTOR AGENCY FUND**

**Statement of Collections, Distributions,**  
**and Unsettled Balances**  
**For the Year Ended June 30, 1998**

	<b>TAX COLLECTOR FUND</b>
<b>UNSETTLED BALANCES AT BEGINNING OF YEAR</b>	<b>\$ 582,410</b>
<b>COLLECTIONS</b>	
Ad valorem taxes - current year	27,794,028
Ad valorem taxes - excess collections	30,585
Ad valorem taxes - prior year	181,687
Beer & liquor permits	48,282
Angling, hunting, and trapping licenses	714,225
Interest received	42,180
Redemptions and refunds	48,910
State revenue sharing	<u>1,879,480</u>
Total collections	<u>30,633,737</u>
Total	31,216,167
<b>DISTRIBUTIONS</b>	
State of Louisiana:	
Department of Wildlife and Fisheries	617,422
Parishy Commission	4,653
Tax Commission	15,787
Special Education District No. 1	708,648
Bayou Lafourche Fresh Water District	380,535
Lafourche Parish:	
School Board	8,678,732
Council	7,732,519
Sheriff	2,592,383
Hospital Service Districts	1,188,899
Fire Districts	1,371,443
Water Districts	778,108
Greater Lafourche Port Commission	788,151
Assessor	528,565
Ambulance Service Districts	501,882
Drainage Districts	238,016
Levee District	1,248,811
Recreation Districts	468,523
Juvenile Justice Commission	708,483
Clerk of Court	1,038
Pension Funds	28,813
Redemptions and refunds	<u>58,621</u>
Total distributions	<u>29,698,567</u>
<b>UNSETTLED BALANCES AT END OF YEAR</b>	
<b>DUE TO TAXING BODIES AND OTHERS</b>	<b>\$ 1,517,618</b>

## **Audit Findings**

**LAFOURCHE PARISH SHERIFF**  
**Thibodaux, Louisiana**  
**Summary Schedule of Prior Audit Findings**  
**For the Year Ended June 30, 1998**

Ref. No.	Fiscal Year	Description of Finding	Corrective	Planned Corrective	Additional
	Finding Initially Occurred		Action Taken (Yes, No, Partially)	Action/Partial Corrective Action Taken	
07-1	Jun-97	See below	Yes See below		See below

**Description of Finding:**

According to state laws the Lafourche Parish Sheriff is required to make a complete physical inventory of the property of his agency once each fiscal year. He is also required to establish and maintain a master file of the agency inventory of movable property containing certain information such as a description of the property, serial numbers if applicable, a description and original cost of the property. The prior year audit noted that the Lafourche Parish Sheriff's office did not conduct a physical inventory as required by state laws.

**Corrective Action taken:**

The Lafourche Parish Sheriff's Office (LPSO) initiated and completed a Corrective Action Plan to establish a method to create a master inventory file of tangible movable property. The plan encompassed the tasks necessary to provide the Sheriff's Office with a comprehensive inventory of machinery, equipment, furniture and fixtures. The results of which have enhanced the requirements of internal accountability and fiscal responsibility necessary for financial reporting as well as addressed the need for capital expenditure planning and for insurance replacement.

The LPSO, recognizing it did not have the capacity to accomplish this task in house, sought an outside expert in the field of property management. Valuation Resource Management, Inc., 2675 Paces Ferry Road NW, Suite 213, Atlanta, GA 30338 (1-800-878-0507) was selected by the LPSO to assist in accomplishing this task. In doing so, the following criteria was established:

- 1) Establish a property control inventory program and implement a bar code tagging system,
- 2) Inventory those assets with an original cost of \$100 or greater,
- 3) Provide a listing of the inventoried items on magnetic media and hard copy,
- 4) Establish a method to provide an on-going inventory maintenance service each year to record transfers, additions, retirements and deposits.

The physical inventory of machinery, equipment, furniture and fixtures was completed by Valuation Resource Management, Inc. by June 30, 1998.

The physical inventory of real estate was completed without the assistance of Valuation Resource Management, Inc.

**Additional Explanation:**

Although this finding has been corrected and no longer warrants further action, the Sheriff plans to contract Valuation Resource Management, Inc. in the future to help maintain the property inventory.

## LAFOURCHE PARISH SHERIFF

Thibodaux, Louisiana

## Corrective Action Plan for

Current Year Audit Findings

For the Year Ended June 30, 1998

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Control Person</u>	<u>Anticipated Completion Date</u>
DB-1	See below	See below	Norman O. Lozsko, Jr., CPA	Completed

## Description of Finding:

The head accountant position turned over twice. Due to these unanticipated separations, there were times throughout the year when the accounting and data processing department was not managed by an in-charge accountant. The general fund transactions were recorded and/or inspected by an accountant, and bank reconciliations on all bank accounts were prepared monthly. However, most of the transactions of other funds did not receive the attention of an accountant on an ongoing basis. This condition could adversely affect the entity's ability to record, process, summarize, and report financial data. The clerks responsible for processing transactions and recording them were very knowledgeable, dedicated, and effective at performing their tasks. This greatly reduced the possible negative effects of the described finding.

## Corrective Action Planned:

The Sheriff appointed a Certified Public Accountant, who is experienced in governmental accounting and personnel management, to supervise the accounting and data processing department. The Sheriff also hired an accountant, with a lengthy career as an in-charge accountant in private industry, to perform and manage the accounting functions.



**Other Report Required by  
Governmental Auditing Standards**

**Report on Compliance and on Internal control**

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

Honorable Craig Weiss  
Lafourche Parish Sheriff  
Thibodaux, Louisiana

We have audited the general purpose financial statements of the Lafourche Parish Sheriff, as of and for the year ended June 30, 1998, and have issued our report thereon dated December 9, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Lafourche Parish Sheriff's general purpose 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 no instances of noncompliance that are required to be reported under Government Auditing Standards.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Lafourche Parish Sheriff's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a single matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. 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 Lafourche Parish Sheriff's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. The reportable condition is described in the accompanying corrective action plan for current year audit findings as item 98-1.

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 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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is not a material weakness.

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



December 9, 2000

**LAFOURCHE PARISH SHERIFF**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For the Year Ended June 30, 1998

We have audited the financial statements of Lafourche Parish Sheriff, State of Louisiana as of and for the year ended June 30, 1998, and have issued our report thereon dated December 9, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 1998 resulted in an unqualified opinion.

**Section I - Summary of Auditor's Reports**

**a. Report on Internal Control and Compliance Material to the Financial Statements**

Internal Control

Material Weaknesses:  Yes  No Reportable Conditions:  Yes  No

Compliance

Compliance Material to Financial Statements:  Yes  No

**Section II - Financial Statement Findings**

**Ref. No.:** 98-1

**Fiscal Year Finding Initially Occurred:** June 1998

**Description of Finding:** Management of accounting and data processing department.

The lead accountant position turned over twice. Due to these unanticipated separations, there were times throughout the year when the accounting and data processing department was not managed by an in-charge accountant. The general fund transactions were recorded and/or inspected by an accountant, and bank reconciliations on all bank accounts were prepared monthly. However, most of the transactions of other funds did not receive the attention of an accountant on an ongoing basis. This condition could adversely affect the entity's ability to record, process, summarize, and report financial data. The clerks responsible for processing transactions and recording them were very knowledgeable, dedicated, and effective at performing their tasks. This greatly reduced the possible negative effects of the described finding.

**Corrective Action Planned:** Yes

The Sheriff appointed a Certified Public Accountant, who is experienced in governmental accounting and personnel management, to supervise the accounting and data processing department. The Sheriff also hired an accountant, with a lengthy career as an in-charge accountant in private industry, to perform and manage the accounting functions.

**Name of Contact Person:** Norman D. Loaska, Jr., CPA

**Anticipated Completion Date:** Completed

**LAFOURCHE PARISH SHERIFF**  
**SCHEDULE OF PRIOR YEAR FINDINGS**  
**For the Year Ended June 30, 1999**

**SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS**

**Ref. No.:**  
89-1

**Resolved**

**Fiscal Year Finding Initially Occurred:**  
June 1997

**Description of Finding:**  
Physical inventory of property

According to state laws the Lafourche Parish Sheriff is required to make a complete physical inventory of the property of his agency once each fiscal year. He is also required to establish and maintain a master file of the agency inventory of movable property containing certain information such as a description of the property, serial numbers if applicable, a description and original cost of the property. The prior year audit noted that the Lafourche Parish Sheriff's office did not conduct a physical inventory as required by state laws.

**Corrective Action taken:**  
Yes

The Lafourche Parish Sheriff's Office (LPSO) initiated and completed a Corrective Action Plan to establish a method to create a master inventory file of tangible movable property. The plan encompassed the tasks necessary to provide the Sheriff's Office with a comprehensive inventory of machinery, equipment, furniture and fixtures. The results of which have enhanced the requirements of internal accountability and fiscal responsibility necessary for financial reporting as well as addressed the need for capital expenditure planning and for insurance replacement.

The LPSO, recognizing it did not have the capacity to accomplish this task in house,

sought an outside expert in the field of property management. Valuation Resource Management, Inc., 2675 Paces Ferry Road NW, Suite 215, Atlanta, GA 30336 (1-800-876-8807) was selected by the LPSC to assist in accomplishing this task. In doing so, the following criteria was established:

- 1) Establish a property control inventory program and implement a bar code tagging system.
- 2) Inventory those assets with an original cost of \$100 or greater.
- 3) Provide a listing of the inventoried items on magnetic media and hard copy.
- 4) Establish a method to provide an on-going inventory maintenance service each year to record transfers, additions, retirements and disposals.

The physical inventory of machinery, equipment, furniture and fixtures was completed by Valuation Resource Management, Inc. by June 30, 1998.

The physical inventory of real estate was completed without the assistance of Valuation Resource Management, Inc.

Additional Explanation:

Although this finding has been corrected and no longer warrants further action, the Sheriff plans to contract Valuation Resource Management, Inc. in the future to help maintain the property inventory.

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS**

None

N/A

**SECTION II MANAGEMENT LETTER**

None

N/A

**LAFOURCHE PARISH SHERIFF  
MANAGEMENT'S CORRECTIVE ACTION PLAN  
For the Year Ended June 30, 1998**

**SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENT**

**98-1 Management of accounting and data processing department.**

The head accountant position turned over twice. Due to these unanticipated separations, there were times throughout the year when the accounting and data processing department was not managed by an in-charge accountant. The general fund transactions were recorded and/or inspected by an accountant, and bank reconciliations on all bank accounts were prepared monthly. However, most of the transactions of other funds did not receive the attention of an accountant on an ongoing basis. This condition could adversely affect the entity's ability to record, process, summarize, and report financial data. The clerks responsible for processing transactions and recording them were very knowledgeable, dedicated, and effective at performing their tasks. This greatly reduced the possible negative effects of the described finding.

The Sheriff appointed a Certified Public Accountant, who is experienced in governmental accounting and personnel management, to supervise the accounting and data processing department. The Sheriff also hired an accountant, with a lengthy career as an in-charge accountant in private industry, to perform and manage the accounting functions.

**Name of Contact Person:**  
Norman O. Lassie, Jr., CPA

**Anticipated Completion Date:**  
The Corrective Action Planned has been completed.

**SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS**

None

N/A

**SECTION III MANAGEMENT LETTER**

None

N/A