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RAPIDES PARISH SHERIFF

ALEXANDRIA, LOUISIANA

JUNE 30, 1998

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the public for review, and 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 **JAN 6 1999**



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

**RAPIDES PARISH SHERIFF
ALEXANDRIA, LOUISIANA**

JUNE 30, 1998

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ALEXANDRIA, LOUISIANA**

JUNE 30, 1998

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PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Honorable William Earl Hilton
Rapides Parish Sheriff
Alexandria, Louisiana

We have audited the accompanying general purpose financial statements and the combining and individual fund financial statements of the Rapides Parish Sheriff, Alexandria, Louisiana, as of and for the year ended June 30, 1998, as listed in the table of contents. These financial statements are the responsibility of the Rapides Parish Sheriff's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraph, 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.

Governmental Accounting Standards Board Technical Bulletin 98-1, *Disclosures about Year 2000 Issues*, requires disclosure of certain matters regarding the year 2000 issue. The Rapides Parish Sheriff has included such disclosures in Note 11. Because of the unprecedented nature of the year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Accordingly, insufficient audit evidence exists to support the Sheriff's disclosures with respect to the year 2000 issue made in Note 11. Further, we do not provide assurance that the Rapides Parish Sheriff will be year 2000 ready, that the Sheriff's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Sheriff does business will be year 2000 ready. In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able

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PAYNE, MOORE & HERRINGTON, LLP

The Honorable William Earl Hilton
Rapides Parish Sheriff
Alexandria, Louisiana

to examine evidence regarding year 2000 disclosures, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Rapides 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. Also, in our opinion, the combining and individual fund financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of each of the individual funds of the Rapides Parish Sheriff as of June 30, 1998, and the results of operations of such funds 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 2, 1998, on our consideration of the Rapides 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 taken as a whole and on the combining and individual fund financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general purpose, combining, or individual fund financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose, combining, and individual fund 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 and the financial statements of each of the respective individual funds.

Payne, Moore & Herrington, L.L.P.

Certified Public Accountants

December 2, 1998

GENERAL PURPOSE FINANCIAL STATEMENTS

The General Purpose Financial Statements include all funds and account groups of the Rapides Parish Sheriff and are designed to provide an overview of the financial position and results of operations for the Rapides Parish Sheriff as a whole. Additional information in the form of combining and individual fund financial statements and schedules is included elsewhere in this report to the extent such presentation expands on the financial information presented in the general purpose financial statements.

RAPIDES PARISH SHERIFF
ALEXANDRIA, LOUISIANA
COMBINED BALANCE SHEET - ALL FUND TYPES
AND ACCOUNT GROUPS
JUNE 30, 1998

EXHIBIT A

	<u>GOVERNMENTAL FUND TYPES</u>				<u>FIDUCIARY FUND TYPES</u>		<u>ACCOUNT GROUPS</u>		<u>TOTALS (MEMORANDUM ONLY)</u>
	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUNDS</u>	<u>DEBT SERVICE FUND</u>	<u>CAPITAL PROJECTS FUNDS</u>	<u>AGENCY FUNDS</u>	<u>GENERAL FIXED ASSETS</u>	<u>GENERAL LONG- TERM DEBT</u>		
ASSETS AND OTHER DEBITS									
ASSETS									
Cash and cash equivalents	\$ 490,711	\$2,077,682	\$94,756	\$ 715,434	\$2,530,431	\$			\$ 5,909,014
Investments	4,801,941	3,100,000		2,300,000					10,201,941
Accounts receivable	757,745	9,388			1,447				767,133
Due from other funds	119,899	12,898		38,684					134,244
Accrued interest receivable	77,811	38,358							154,853
Inventories	7,137	14,426							21,563
Fixed assets						13,914,839			13,914,839
OTHER DEBITS									
Amount available in Debt Service Fund							92,093		92,093
Amount to be provided for retirement of general long-term debt							5,532,198		5,532,198
TOTAL ASSETS AND OTHER DEBITS	<u>\$6,255,244</u>	<u>\$5,252,752</u>	<u>\$94,756</u>	<u>\$3,054,118</u>	<u>\$2,531,878</u>	<u>\$13,914,839</u>	<u>\$5,624,291</u>		<u>\$36,727,878</u>
LIABILITIES, EQUITY, AND OTHER CREDITS									
LIABILITIES									
Notes, bonds, and capital leases payable				\$ 742,263					\$ 5,388,211
Accounts payable	\$ 76,933	3,016	2,663		125,738				822,212
Due to other funds		5,843							134,244
Due to taxing bodies and others					2,406,140				2,406,140
Deferred revenue	25,550								25,550
Accrued vacation							236,080		236,080
Total Liabilities	<u>102,483</u>	<u>8,859</u>	<u>2,663</u>	<u>742,263</u>	<u>2,531,878</u>	<u>-0-</u>	<u>5,624,291</u>		<u>9,012,437</u>
EQUITY AND OTHER CREDITS									
Investment in general fixed assets						13,914,839			13,914,839
Fund balances									
Unreserved	6,131,953	5,243,893		2,311,855					13,687,701
Reserved for boot camp	20,808								20,808
Reserved for debt service			92,093						92,093
Total Equity and Other Credits	<u>6,152,761</u>	<u>5,243,893</u>	<u>92,093</u>	<u>2,311,855</u>	<u>-0-</u>	<u>13,914,839</u>	<u>-0-</u>		<u>27,715,441</u>
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	<u>\$6,255,244</u>	<u>\$5,252,752</u>	<u>\$94,756</u>	<u>\$3,054,118</u>	<u>\$2,531,878</u>	<u>\$13,914,839</u>	<u>\$5,624,291</u>		<u>\$36,727,878</u>

The accompanying notes are an integral part of the financial statements.

RAPIDES PARISH SHERIFF
ALEXANDRIA, LOUISIANA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUND TYPES
YEAR ENDED JUNE 30, 1998

EXHIBIT B

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUNDS</u>	<u>DEBT SERVICE FUND</u>	<u>CAPITAL PROJECTS FUND</u>	<u>TOTALS (MEMORANDUM ONLY)</u>
REVENUES					
Taxes - ad valorem	\$ 5,532,198		\$	\$	\$ 5,532,198
Intergovernmental	3,115,991	93,743		1,500,000	4,709,734
Fees, commissions, etc.	4,155,979	273,274			4,429,253
Interest earned	252,939	226,555	6,937	66,232	552,663
Sale of merchandise		241,302			241,302
Miscellaneous	40,776	7,459			48,235
Total Revenues	13,097,883	842,333	6,937	1,566,232	15,513,385
EXPENDITURES					
Current					
Salaries and related benefits	8,322,082	417,626			8,739,708
Office operations	1,186,466	424,809			1,611,275
Insurance	513,993	34,539			548,532
Travel and training	66,834	2,483			69,317
Inmates	701,132	7,614			708,746
Junior Deputy program	57,781				57,781
Professional fees	130,162	124,089			254,251
Miscellaneous	40,228				40,228
Capital outlay	446,499	429,972		2,228,742	3,105,213
Debt service	327,437		550,000		877,437
Total Expenditures	11,792,614	1,441,132	550,000	2,228,742	16,012,488
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,305,269	(598,799)	(543,063)	(662,510)	(499,103)
OTHER FINANCING SOURCES (USES)					
Operating transfers in	315,285	444,691	635,156	974,365	2,369,497
Operating transfers out	(104,429)	(2,265,068)			(2,369,497)
Proceeds from debt and capital leases	130,403			2,000,000	2,130,403
Sale of general fixed assets	17,500				17,500
Total Other Financing Sources (Uses)	358,759	(1,820,377)	635,156	2,974,365	2,147,903
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	1,664,028	(2,419,176)	92,093	2,311,855	1,648,800
FUND BALANCES, BEGINNING OF YEAR	4,488,733	7,663,069	-0-	-0-	12,151,802
FUND BALANCES, END OF YEAR	\$ 6,152,761	\$ 5,243,893	\$ 92,093	\$ 2,311,855	\$ 13,800,602

The accompanying notes are an integral part of the financial statements.

RAPIDES PARISH SHERIFF
ALEXANDRIA, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL, SPECIAL REVENUE, AND DEBT SERVICE FUNDS
YEAR ENDED JUNE 30, 1998

EXHIBIT C

	GENERAL FUND			SPECIAL REVENUE FUNDS			DEBT SERVICE FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES									
Taxes - ad valorem	\$ 5,450,000	\$ 5,532,198	\$ 82,198	\$	\$ 93,743	\$ -0-	\$	\$	\$
Intergovernmental	3,120,444	3,115,991	(4,453)		273,274	(134,882)			
Fees, commissions, etc.	4,086,200	4,155,979	69,779	408,156	226,555	219,766	7,000	6,937	(63)
Interest earned	236,000	252,939	16,939	6,789	241,302	302			
Sale of merchandise				241,000	7,459	2,159			
Miscellaneous	17,500	40,776	23,276	5,300	7,459	2,159			
Total Revenues	<u>12,910,144</u>	<u>13,097,883</u>	<u>187,739</u>	<u>754,988</u>	<u>842,333</u>	<u>87,345</u>	<u>7,000</u>	<u>6,937</u>	<u>(63)</u>
EXPENDITURES									
Current									
Salaries and related benefits	8,410,800	8,322,082	88,718	429,587	417,626	11,961			
Office operations	1,294,140	1,186,466	107,674	501,362	424,809	76,553			
Insurance	536,000	513,993	22,007	225	34,539	(34,314)			
Travel and training	75,200	66,834	8,366	2,226	2,483	(257)			
Inmates	729,000	701,132	27,868	4,000	7,614	(3,614)			
Junior Deputy program	65,000	57,781	7,219						
Professional fees	120,000	130,162	(10,162)		124,089	(124,089)			
Miscellaneous	40,000	40,228	(228)	426,416	429,972	(3,556)			
Capital outlay	328,000	446,499	(118,499)						
Debt service	331,935	327,437	4,498				550,000	550,000	-0-
Total Expenditures	<u>11,930,075</u>	<u>11,792,614</u>	<u>137,461</u>	<u>1,363,816</u>	<u>1,441,132</u>	<u>(77,316)</u>	<u>550,000</u>	<u>550,000</u>	<u>-0-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	980,069	1,305,269	325,200	(608,828)	(598,799)	10,029	(543,000)	(543,063)	(63)
OTHER FINANCING SOURCES (USES)									
Operating transfers in	238,119	315,285	77,166	460,559	444,691	(15,868)	636,543	635,156	(1,387)
Operating transfers out	(107,961)	(104,429)	3,532	(2,274,289)	(2,265,068)	9,221			
Proceeds from debt and capital leases	130,000	130,403	403						
Sale of general fixed assets	16,600	17,500	900						
Total Other Financing Sources (Uses)	<u>276,758</u>	<u>358,759</u>	<u>82,001</u>	<u>(1,813,730)</u>	<u>(1,820,377)</u>	<u>(6,647)</u>	<u>636,543</u>	<u>635,156</u>	<u>(1,387)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	1,256,827	1,664,028	407,201	(2,422,558)	(2,419,176)	3,382	93,543	92,093	(1,450)
FUND BALANCES, BEGINNING OF YEAR	4,488,733	4,488,733	-0-	7,663,069	7,663,069	-0-	-0-	-0-	-0-
FUND BALANCES, END OF YEAR	<u>\$ 5,745,560</u>	<u>\$ 6,152,761</u>	<u>\$ 407,201</u>	<u>\$ 5,240,511</u>	<u>\$ 5,243,893</u>	<u>\$ 3,382</u>	<u>\$ 93,543</u>	<u>\$ 92,093</u>	<u>\$ (1,450)</u>

The accompanying notes are an integral part of the financial statements.

RAPIDES PARISH SHERIFF
JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

1. REPORTING ENTITY AND 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 and ordinances within the territorial boundaries of Rapides Parish. The Sheriff provides protection to the residents of the parish through on-site patrols, investigations, et cetera, and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, and other similar programs. In addition, the Sheriff, when requested, provides assistance to other law enforcement agencies within the parish.

As the ex-officio tax collector of the parish, the Sheriff is responsible for the collection and distribution of ad valorem taxes, state revenue sharing funds, sportsman's licenses, and fines, costs, and bond forfeitures imposed by the district court.

The financial statements of the Rapides Parish 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. The more significant of the Rapides Parish Sheriff's accounting policies are described below.

A. REPORTING ENTITY

In evaluating how to define the Rapides Parish Sheriff, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. Generally, component units are legally separate organizations for which the elected officials or appointed board members of the primary government are financially accountable. Some of the criteria considered under "legally separate organizations" are: the capacity for the organization to have its own name; the right for the organization to sue and be sued in its own name without recourse to the primary government; and, the right to buy, sell, lease, and mortgage property in its own name. Some of the criteria used to consider "financially accountable" include: appointment of a voting majority of the organization's governing body; ability for primary government to impose its will on the organization; whether the organization has the potential to provide specific financial benefits to, or improve specific financial burdens on the primary government; and fiscal dependence of the organization. Based upon the

RAPIDES PARISH SHERIFF

JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

application of these criteria, there are no component units of the Rapides Parish Sheriff.

For financial reporting purposes, in conformance with GASB Codification Section 2100, the Sheriff includes all funds, account groups, and activities that are controlled by the Sheriff as an independently elected official. As such, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. This report only includes all funds which are controlled by or dependent upon the Rapides Parish Sheriff.

B. FUND ACCOUNTING

The Rapides Parish 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 related to certain governmental functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into two categories: governmental and fiduciary. Each category, in turn, is divided into separate "fund types".

GOVERNMENTAL FUNDS

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (Special Revenue Funds), the acquisition or construction of general fixed assets (Capital Projects Funds), and the servicing of general long-term debt (Debt Service Funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

GENERAL FUND

The General Fund, as provided by Louisiana Revised Statute 33:1422, is the principal fund of the Sheriff's office and is used to account for the operations of the Sheriff's office. The Sheriff's primary source of revenues is an ad valorem tax levied by the law enforcement district. Other major sources of revenues include commissions on state revenue sharing, state supplemental pay for deputies, contract work for private and public entities,

**RAPIDES PARISH SHERIFF
JUNE 30, 1998**

NOTES TO FINANCIAL STATEMENTS

civil and criminal fees, fees for court attendance and maintenance of prisoners, and law enforcement grants. General operating expenditures are paid from this fund.

SPECIAL REVENUE FUNDS

CENLA CHEMICAL DEPENDENCY COUNCIL HOSPITAL FUND

This Hospital Fund accounts for the disbursement of previously collected medicaid funding relating to the Gateway Adolescent Treatment Center pursuant to a cooperative agreement with the State of Louisiana. The cooperative agreement was terminated in August of 1996.

LOUISIANA YOUTH ACADEMY HOSPITAL FUND

This Hospital Fund accounts for the revenues and expenditures relating to the adolescent psychiatric hospital at the Louisiana Youth Academy. Excess funds, if any, are used to operate the boot camp at the Louisiana Youth Academy. The hospital was closed in October of 1997. Remaining funds were transferred to the Cenla Chemical Dependency Council Hospital Fund.

LOUISIANA YOUTH ACADEMY BOOT CAMP FUND

This Fund accounts for the operations of the boot camp at the Louisiana Youth Academy. The first group of cadets entered the boot camp in October of 1996. When the Louisiana Youth Academy Hospital closed, the General Fund began funding the boot camp.

**JAIL COMMISSARY FUND,
HALFWAY HOUSE COMMISSARY FUND,
AND FEMALE DETENTION CENTER (FDC) COMMISSARY FUND**

The Commissary Funds are used to account for the purchases and sales of cigarettes, candies, and notions for prisoners housed in the Rapides Parish Jail, the Halfway House, and the correctional facility located at the Louisiana Youth Academy (Female Detention Center). The Female Detention Center houses both female and male prisoners.

DRUG ENFORCEMENT FUND

The Drug Enforcement Fund accounts for activities and transactions related to the Rapides Parish Metro Narcotics Task Force.

RAPIDES PARISH SHERIFF

JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources and payment of revenue bond principal and interest. The bonds were issued to finance construction, acquisition, and equipment of the 120 bed youth academy (Louisiana Youth Academy). They are to be repaid with funds generated by the operation of the Louisiana Youth Academy Hospital or remaining funds in Cenla Chemical Dependency Council Hospital Fund after the construction of the Youth Academy. On July 2, 1998 the Sheriff used the accumulated money in the Cenla Chemical Dependency Council Hospital Fund to pay \$2,717,201 to an escrow account for the purpose of paying off the bonds. See Note 12. This fund is also used to account for the accumulation of resources and payment of principal and interest on the two million dollar certificates of indebtedness issued for the construction of the new jail located near the Louisiana Youth Academy.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for the acquisition and construction of Detention Center 3 (DC3), a new jail located near the Louisiana Youth Academy.

FIDUCIARY FUNDS

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

AGENCY FUNDS

These funds are comprised of the Sheriff's Civil Fund, Tax Collector Fund, Cash Bond Fund, Fines and Costs Fund, Jail Inmate Fund, Halfway House Inmate Fund, and Female Detention Center (FDC) Inmate Fund. They consist of monies deposited for civil suits, taxes, appearance bonds, fees, and funds held on behalf of inmates. Disbursements from the various funds are made to the appropriate agencies, litigants, and others as prescribed by statute.

ACCOUNT GROUPS

GENERAL FIXED ASSETS

Fixed assets used in governmental fund operations are accounted for in the General Fixed Assets Account Group. All additions and retirements of fixed assets are recorded in this account group.

RAPIDES PARISH SHERIFF

JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

GENERAL LONG-TERM DEBT

Long-term obligations expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group.

The two account groups are not funds. They are concerned with the measurement of financial position and do not involve measurement of results of operations.

C. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Sheriff considers ad valorem taxes as available if they are collected within 60 days after the fiscal year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Those revenues susceptible to accrual are ad valorem taxes, interest revenue, and charges, commissions, and fees for service. Revenue recognition for cost reimbursement grants is recognized in accordance with GASB Statement 1. When the expenditure is incurred, grant revenue is considered to have been earned and, therefore, available and recognized as revenue. When grant monies are received prior to the incurrence of qualifying expenditures, they are reported as deferred revenues on the balance sheet.

The Rapides Parish Sheriff may report deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Sheriff before he has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Sheriff has a

RAPIDES PARISH SHERIFF

JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

D. BUDGETS

Budgets are adopted on a basis consistent with generally accepted accounting principles, which is also consistent with state law. Annual appropriated budgets are usually adopted for the General, Special Revenue, and Debt Service Funds. All annual appropriations lapse at the end of the fiscal year. Budgets for capital projects are adopted on a project-length basis. Because these non-operating budgets primarily serve as a management control function, no comparison between budgeted and actual amounts for funds budgeted on this basis is provided in this document.

The Sheriff follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Sheriff prepares a proposed budget no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, the date of the public hearing is published.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgets are controlled at the fund level. Budgeted amounts shown in the financial statements are as originally adopted or as amended from time to time by the Sheriff.

E. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include amounts in demand deposits, as well as short-term investments with a maturity date within three months of the date acquired by the Rapides Parish Sheriff.

Under state law, the Sheriff may deposit funds in demand deposits (interest bearing or non-interest bearing), money market accounts, or time deposits with state banks organized under Louisiana law or national banks having their principal offices in Louisiana.

RAPIDES PARISH SHERIFF
JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

Investments represent certificates of deposit with a maturity date more than three months from the date acquired. Investments are stated at cost.

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

G. INVENTORIES

Inventories consist of (1) items sold at the jail, halfway house, and female detention center commissaries, (2) commodities, if any, to feed the prisoners, and (3) office supplies. Inventories are valued at the lower of cost or market, using the first-in/first-out (FIFO) method.

H. FIXED ASSETS

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisitions and construction are reflected as expenditures in the governmental funds, and the related assets are reported in the General Fixed Assets Account Group. Fixed assets are valued at historical cost, or estimated cost, if historical cost is not available. No depreciation has been provided on general fixed assets. The total amount valued at estimated historical costs is not available.

General fixed assets provided by the Rapides Parish Police Jury are not recorded on the financial statements of the Rapides Parish Sheriff.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized.

I. COMPENSATED ABSENCES

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the General Long-Term Debt Account Group. No accrued current expenditures are reported in the governmental funds since such amounts are considered immaterial. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

RAPIDES PARISH SHERIFF
JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

J. LONG-TERM OBLIGATIONS

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the General Long-Term Debt Account Group.

K. FUND EQUITY

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. The reserved fund balance in the General Fund represents the unspent portion of monies received through a cooperative agreement for the boot camp.

L. INTERFUND TRANSACTIONS

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transactions are reported as operating transfers.

M. AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property located within the parish as of January 1 of each year. Taxes are levied normally in November, and actually billed to the taxpayer during the same month. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed. As the tax collector of the parish, the Sheriff bills and collects its own property taxes using the assessed values determined by the tax assessor of Rapides Parish.

For the year ended June 30, 1998, taxes of 16.83 mills were levied on property with assessed values totaling \$470,059,078. All taxes are accounted for as General Fund revenues.

N. SUPPLEMENTAL WAGES

Certain employees receive supplemental wages from the State of Louisiana. These supplemental wages are recognized as intergovernmental revenues and salaries and related benefits.

RAPIDES PARISH SHERIFF
JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

O. MEMORANDUM ONLY - TOTAL COLUMNS

Total columns on the financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

P. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

At June 30, 1998, the Sheriff had cash and cash equivalents and investments as follows:

Cash (petty cash and demand deposits)	\$ 5,909,014
Investments - certificates of deposit	<u>10,201,941</u>
	\$16,110,955

At year end, the carrying amount of the Sheriff's deposits (demand deposits and certificates of deposit) were \$16,110,955. The bank balances totaled \$17,022,127. A summary of collateralization of bank balances is presented below.

Insured (federal deposit insurance)	\$ 600,000
Collateralized	10,551,116
Uncollateralized (in accordance with GAAP - see below)	<u>5,871,011</u>
	\$17,022,127

These deposits are stated at cost, which approximates market. Under state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the 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 agent bank.

The uncollateralized amount shown above is secured by pledged securities with market values exceeding the required pledge amount. The securities are held in the name of the pledging agent banks in holding or custodial banks. Even though the pledged securities are considered uncollateralized under GAAP, Louisiana Revised Statutes impose a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Sheriff that the agent bank has failed to pay deposited funds upon demand.

RAPIDES PARISH SHERIFF
JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

3. ACCOUNTS RECEIVABLE

Accounts receivable are comprised of the following at June 30, 1998:

Intergovernmental	\$721,641
Fees, commissions, etc.	35,492
Other	<u>10,000</u>
	\$767,133

4. INTERFUND ASSETS/LIABILITIES
DUE FROM/TO OTHER FUNDS:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Drug Enforcement	\$ 4,396
	Sheriff's Civil	37,502
	Tax Collector	1,500
	Cash Bond	629
	Fines and Costs	25,418
	Jail Inmate	3,575
	Halfway House Inmate	46,879
CCDC Hospital	Debt Service	2,663
Jail Commissary	Jail Inmate	2,059
FDC Commissary	FDC Inmate	8,176
Halfway House Inmate	Halfway House Commissary	<u>1,447</u>
		\$134,244

5. GENERAL FIXED ASSETS

The following is a summary of changes in the General Fixed Asset Account Group during the year ended June 30, 1998:

	JULY 1, <u>1997</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>TRANSFERS</u>	JUNE 30, <u>1998</u>
Land and buildings	\$ 7,393,562	\$ 426,079	\$	\$ 658	\$ 7,820,299
Construction					
in progress - DC3	-0-	2,228,742			2,228,742
Vehicles	1,809,592	350,997	190,051	7,230	1,977,768
Radios	541,108	6,462	5,183		542,387
Boats	23,880				23,880
Office equipment	853,215	48,876	32,942	(124,026)	745,123
Camera/video	116,443	8,279	5,112	2,000	121,610
Other	49,041	35,498	7,796	114,138	190,881
Weapons	63,869	280			64,149
Licenses and permits	<u>200,000</u>				<u>200,000</u>
	\$11,050,710	\$3,105,213	\$241,084	\$ -0-	\$13,914,839

See Note 6 for mortgaged property.

**RAPIDES PARISH SHERIFF
JUNE 30, 1998**

NOTES TO FINANCIAL STATEMENTS

6. LONG-TERM DEBT

NOTE PAYABLE

The Rapides Parish Sheriff has the following debt instrument for a note payable outstanding at June 30, 1998:

<u>CREDITOR</u>	<u>ORIGINAL AMOUNT</u>	<u>DATE OF NOTE</u>	<u>INTEREST RATE</u>	<u>TERMS OF NOTE</u>	<u>BALANCE DUE 6/30/98</u>
Michael W. Welch	\$446,000	3/1/93	8.5%	(1)	\$239,933

(1) This is a mortgage note on land, building, and other improvements for the Halfway House located on Highway 28 West in Alexandria, Louisiana. Monthly payments of \$5,715, including interest, are due for a period of nine and one-half years beginning April 1, 1993.

REVENUE BONDS PAYABLE

On July 15, 1994, revenue bonds in the amount of \$4,000,000 were issued to finance construction, acquisition, and equipment of the 120 bed youth academy (Louisiana Youth Academy). These bonds are to be repaid with Medicaid revenue generated by the operation of the Louisiana Youth Academy Hospital and Gateway Adolescent Treatment Center. The bonds' effective interest rate is 6.25% per annum and they mature June 13, 1995 through June 15, 2004. On July 2, 1998 the Sheriff used the accumulated money in the Cenla Chemical Dependency Council Hospital Fund to pay \$2,717,201 to an escrow account for the purpose of paying off these bonds. This includes any principal and interest due on the bonds. The escrow agent will pay off the bonds with this money on June 15, 1999.

The following changes occurred in revenue bonds payable during the year ended June 30, 1998.

	<u>BALANCE JULY 1, 1997</u>	<u>ADDITIONS</u>	<u>REDUCTIONS</u>	<u>BALANCE JUNE 30, 1998</u>
Revenue bonds	\$3,040,000	\$ -0-	\$360,000	\$2,680,000

The material provisions of the revenue bond covenants are as follows:

1. The Rapides Parish Law Enforcement District will transfer monthly to a debt service sinking fund one-sixth (1/6th) of the next interest payment due and one-twelfth (1/12th) of the next principal payment due. Interest is payable on June 15 and December 15, while principal payments are due June 15.

RAPIDES PARISH SHERIFF
JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

2. All of the proceeds derived from the sale of the Bonds shall be deposited in a special Construction Account to be established and maintained with the Paying Agent and used solely for the purpose of paying the cost of acquiring, constructing and equipping improvements, renovations, additions, and expansions of the Louisiana Youth Academy, and costs of issuance in connection with the authorization of issuance of the Bonds. Disbursements from this account must have proper documentation, which is detailed in the covenant.

3. Parity bonds may be issued if certain conditions are met.

CERTIFICATES OF INDEBTEDNESS

On January 16, 1996, certificates of indebtedness in the amount of \$300,000 were issued to the Law Enforcement District of Rapides Parish to finance an addition and improvements to the Halfway House on Highway 28 West. The debt is to be repaid with General Fund excess revenues.

The interest rate is 6% per annum and monthly payments of \$3,331 are due starting March 1, 1996 and ending January 1, 2006.

On January 22, 1998, certificates of indebtedness in the amount of \$2,000,000 were issued to the Law Enforcement District of Rapides Parish to finance the acquisition and construction of the new jail (DC3) located near the Louisiana Youth Academy. This debt is to be repaid with General Fund excess revenues.

The interest rate varies from 4.6% to 4.95% per annum. The Rapides Parish Law Enforcement District will transfer monthly to a debt service sinking fund one-sixth (1/6th) of the next interest payment due and one-twelfth (1/12th) of the next principal payment due. Interest is payable on September 1 and March 1, while principal payments are due March 1.

The following changes occurred in certificates of indebtedness during the year ended June 30, 1998:

	BALANCE JULY 1, 1997	ADDITIONS	REDUCTIONS	BALANCE JUNE 30, 1998
Certificates of indebtedness				
Issued 1/16/96	\$265,610	\$ -0-	\$24,702	\$ 240,908
Issued 1/22/98	<u>-0-</u>	<u>2,000,000</u>	<u>-0-</u>	<u>2,000,000</u>
	\$265,610	\$2,000,000	\$24,702	\$2,240,908

**RAPIDES PARISH SHERIFF
JUNE 30, 1998**

NOTES TO FINANCIAL STATEMENTS

CAPITAL LEASES

Various capital leases were used to purchase vehicles for the Sheriff's department. The effective rates varied from 6.0% to 7.1% per annum. Payments are to be made annually for a term of 3 years. The following changes occurred in capital leases payable during the year ended June 30, 1998:

	BALANCE JULY 1, 1997	ADDITIONS	REDUCTIONS	BALANCE JUNE 30, 1998
Capital lease - 1/6/95	\$ 67,682	\$ -0-	\$ 67,682	\$ -0-
Capital lease - 1/2/96	143,155	-0-	69,123	74,032
Capital lease - 1/7/97	72,533	-0-	22,791	49,742
Capital lease - 4/10/97	12,679	-0-	3,983	8,696
Capital lease - 3/25/98	<u>-0-</u>	<u>130,403</u>	<u>35,503</u>	<u>94,900</u>
	<u>\$296,049</u>	<u>\$130,403</u>	<u>\$199,082</u>	<u>\$227,370</u>

SETTLED LITIGATION PAYABLE

A settlement was reached on pending litigation, resulting in a judgment in the amount of \$200,000 above insured amounts against the Rapides Parish Sheriff's Office. This settlement was paid in five yearly installments of \$40,000 each beginning in fiscal year ended June 30, 1994.

Annual debt service requirements to maturity for above debt, including interest of \$699,045, are as follows:

FISCAL YEAR ENDING

<u>JUNE 30,</u>	
1999	\$3,248,707
2000	443,986
2001	418,754
2002	383,989
2003	331,977
2004 - 2006	<u>1,259,843</u>
	<u>\$6,087,256</u>

During the year ended June 30, 1998, the following changes occurred in long-term liabilities:

	BONDS AND NOTES <u>PAYABLE</u>	CAPITAL LEASES <u>PAYABLE</u>	COMPENSATED ABSENCES <u>PAYABLE</u>	SETTLED LITIGATION <u>PAYABLE</u>
Balance, July 1, 1997	\$3,591,585	\$ 296,049	\$ 214,073	\$ 40,000
Additions	2,000,000	130,403	236,080	-0-
Reductions	<u>(430,744)</u>	<u>(199,082)</u>	<u>(214,073)</u>	<u>(40,000)</u>
Balance, June 30, 1998	<u>\$5,160,841</u>	<u>\$ 227,370</u>	<u>\$ 236,080</u>	<u>\$ -0-</u>

RAPIDES PARISH SHERIFF
JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

7. CHANGES IN AGENCY FUNDS

Balance, beginning of year	\$ 2,481,799
Additions	
Deposits	
Sheriff's sales, etc.	1,537,166
Bonds, fines, and costs	1,748,824
Other deposits	1,655,721
Taxes, fees, etc., paid to tax collector	43,882,356
Other additions	<u>3,728</u>
Total Additions	48,827,795
Reductions	
Taxes, fees, etc., distributed to taxing bodies and others	43,872,956
Deposits settled to:	
Sheriff's General Fund	1,344,263
Rapides Parish Police Jury	763,779
District Attorney	199,823
Clerk of Court	113,410
Litigants	823,120
Other settlements	617,903
Other reductions	<u>1,042,462</u>
Total Reductions	<u>48,777,716</u>
Balance, end of year	\$ 2,531,878

8. MEDICAID FUNDS

Most of the Louisiana Youth Academy Hospital's and Gateway Adolescent Treatment Center's patient service revenue was derived under federal Medicaid funds, which is a third-party reimbursement program. These revenues are based, in part, on cost reimbursement principles and are subject to audit and retroactive adjustment by the federal fiscal intermediary. In the opinion of management, retroactive adjustments, if any, would not be material to the financial position or results of operations of the Louisiana Youth Academy Hospital Fund or CCDC Hospital Fund.

9. OPERATING LEASES

The Sheriff is committed for more than a single year under a few leases for copiers and building or office space. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the year ended June 30, 1998 amounted to \$117,348.

RAPIDES PARISH SHERIFF
JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

Future minimum lease payments for noncancellable leases are as follows:

FISCAL YEAR ENDING	<u>AMOUNT</u>
<u>JUNE 30,</u>	
1999	\$ 47,652
2000	36,552
2001	36,552
2002	28,800
2003	<u>16,800</u>
	\$166,356

10. RISK MANAGEMENT

The office of the Rapides Parish Sheriff is exposed to various risks of loss related to torts, theft, or damage and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Sheriff carries commercial insurance for workmen's compensation, auto liability, commercial general liability, law enforcement officers' liability, and buildings and equipment.

The Sheriff covers all other losses, claim settlements, and judgments from General Fund resources. The Sheriff currently reports all of its risk management activities in its General Fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

The office of the Rapides Parish Sheriff is party to legal proceedings involving suits filed against the Sheriff for various reasons. Some of these suits claim damages that are material in amount. The amount of losses, if any, that may arise from these suits can not be reasonably estimated. Management does not believe that the Sheriff is exposed to any material losses not covered by insurance. No provision for losses is included in the financial statements.

11. 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 ended June 30, 1999.

The Sheriff's office has begun an assessment of the problem by identifying all of its systems and individual components of its systems. The process of identification of potential problems is ongoing. Therefore, the Sheriff is in the assessment stage. The assessment must be completed, then corrections made to the programs and systems. With considerable time dedicated to the Year 2000 issue, the Sheriff's office anticipates significant completion of the assessment and remediation by October of 1999. At that time, testing will be performed for validation of the corrections.

RAPIDES PARISH SHERIFF
JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

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

12. SUBSEQUENT EVENTS

On July 2, 1998 the Sheriff used the accumulated money in the Cenla Chemical Dependency Council Hospital Fund to pay \$2,717,201 to an escrow account for the purpose of paying off the bonds disclosed in Note 6. This includes any principal and interest due on the bonds. The escrow agent will pay off the bonds with this money on June 15, 1999.

The Rapides Parish Sheriff is in the process of building a prison next to the Louisiana Youth Academy that will hold 391 male adult prisoners.

13. PENSION PLAN

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

All sheriffs and all deputies who are found to be physically fit, who earn at least \$550 per month, and who are at least 18 years of age 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 average final salary for each year of credited service. The percentage factor to be used for each year of service is 2.75 percent for each year if total service is at least 12 but less than 15 years, 3 percent for each year if total service is at least 15 but less than 20 years, and 3.25 percent for each year if total service is at least 20 years. In any case, the retirement benefit cannot exceed 100 percent of the final-average salary. Final-average salary is the employee's highest average salary over 36 consecutive or joined months that produces 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 55 and receive the benefit accrued 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 the ages of 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.

RAPIDES PARISH SHERIFF
JUNE 30, 1998

NOTES TO FINANCIAL STATEMENTS

In lieu of terminating employment and accepting a service retirement allowance, any member who has twelve or more years of service and is at least age fifty-five, or who has thirty or more years service and is at least age fifty-three, may elect to participate in the Deferred Retirement Option Plan (DROP) for up to three years and defer the receipt of benefits.

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 one-tenth of one percent of the net direct premiums received in the state by casualty insurers doing business in the state. State statute requires covered employees to contribute 8.7 percent of their salaries to the System and requires an employer contribution equal to 5 percent of each covered employee's salary.

The Sheriff's Pension and Relief Fund issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to Sheriff's Pension and Relief Fund, P.O. Box 3163, Monroe, LA 71210-3163.

The Sheriff made the following required contributions to the state Sheriff's Pension and Relief Fund:

<u>FISCAL YEAR ENDING</u>	
6/30/98	\$352,980
6/30/97	332,006
6/30/96	367,615

14. EXPENSES OF THE SHERIFF PAID BY OTHERS

The Rapides Parish Police Jury, as governing authority of the Parish, is required to provide certain facilities, services, and supplies necessary for the Sheriff to carry out the responsibilities of the office. Consequently, expenditures for those costs, such as office space, parish jail, certain equipment and supplies, and related expenses necessary for the use, operation, and maintenance of these facilities, are not included in the financial statements of the Sheriff.

**COMBINING AND INDIVIDUAL
FUND FINANCIAL STATEMENTS**

GENERAL FUND

The General Fund, as provided by Louisiana Revised Statute 33:1422 is the principal fund of the Sheriff's office. The Sheriff's primary source of revenue is an ad valorem tax levied by the law enforcement district. Other major sources of revenues include commissions on state revenue sharing, state supplemental pay for deputies, contract work for private and public entities, civil and criminal fees, fees for court attendance and maintenance of prisoners, and law enforcement grants. General operating expenditures are paid from this fund.

RAPIDES PARISH SHERIFF
ALEXANDRIA, LOUISIANA
BALANCE SHEET
GENERAL FUND
JUNE 30, 1998

EXHIBIT D-1

ASSETS

Cash and cash equivalents		\$ 490,711
Investments		4,801,941
Accounts receivable		757,745
Due from other funds		
Drug Enforcement Fund	4,396	
Sheriff's Civil Fund	37,502	
Tax Collector Fund	1,500	
Cash Bond Fund	629	
Fines and Costs Fund	25,418	
Jail Inmate Fund	3,575	
Halfway House Inmate Fund	46,879	
Accrued interest receivable	77,811	
Supplies inventory	7,137	
		\$6,255,244
<u>TOTAL ASSETS</u>		<u>\$6,255,244</u>

LIABILITIES AND FUND EQUITY

LIABILITIES		
Accounts payable		\$ 76,459
Payroll withholdings		474
Deferred revenue		25,550
Total Liabilities		102,483
FUND EQUITY		
Fund balance		
Unreserved	6,131,953	
Reserved	20,808	
Total Fund Equity		6,152,761
<u>TOTAL LIABILITIES AND FUND EQUITY</u>		<u>\$6,255,244</u>

The accompanying notes are an integral part of the financial statements.

RAPIDES PARISH SHERIFF
ALEXANDRIA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 1998

EXHIBIT D-2

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Taxes - ad valorem	\$ 5,450,000	\$ 5,532,198	\$ 82,198
Intergovernmental	3,120,444	3,115,991	(4,453)
Fees, commissions, etc.	4,086,200	4,155,979	69,779
Interest earned	236,000	252,939	16,939
Miscellaneous	17,500	40,776	23,276
Total Revenues	12,910,144	13,097,883	187,739
EXPENDITURES			
Current			
Salaries and related benefits	8,410,800	8,322,082	88,718
Office operations	1,294,140	1,186,466	107,674
Insurance	536,000	513,993	22,007
Travel and training	75,200	66,834	8,366
Inmates	729,000	701,132	27,868
Junior Deputy program	65,000	57,781	7,219
Professional fees	120,000	130,162	(10,162)
Miscellaneous	40,000	40,228	(228)
Capital outlay	328,000	446,499	(118,499)
Debt service			
Principal	308,552	269,827	38,725
Interest	23,383	57,610	(34,227)
Total Expenditures	11,930,075	11,792,614	137,461
EXCESS OF REVENUES OVER EXPENDITURES	980,069	1,305,269	325,200
OTHER FINANCING SOURCES (USES)			
Operating transfers in			
Louisiana Youth Academy Hospital Fund	238,119	238,119	-0-
Jail Commissary Fund		57,966	57,966
Halfway House Commissary Fund		19,200	19,200
Operating transfers out			
Drug Enforcement Fund	(15,868)	(12,336)	3,532
Debt Service Fund	(92,093)	(92,093)	-0-
Proceeds from debt and capital leases	130,000	130,403	403
Sale of general fixed assets	16,600	17,500	900
Total Other Financing Sources (Uses)	276,758	358,759	82,001
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	1,256,827	1,664,028	407,201
FUND BALANCE, BEGINNING OF YEAR	4,488,733	4,488,733	-0-
<u>FUND BALANCE, END OF YEAR</u>	\$ 5,745,560	\$ 6,152,761	\$ 407,201

The accompanying notes are an integral part of the financial statements.

SPECIAL REVENUE FUNDS

Special revenue funds account for the receipt and disbursement of earmarked monies.

Cenla Chemical Dependency Council Hospital Fund - This hospital fund accounts for the disbursement of previously collected medicaid funding relating to the Gateway Adolescent Treatment Center pursuant to a cooperative agreement with the State of Louisiana. The cooperative agreement was terminated in August of 1996.

Louisiana Youth Academy Hospital Fund - This hospital fund accounts for the revenues and expenditures relating to the adolescent psychiatric hospital at the Louisiana Youth Academy. Excess funds, if any, are used to operate the boot camp at the Louisiana Youth Academy. The hospital was closed in October of 1997. Remaining funds were transferred to the Cenla Chemical Dependency Council Hospital Fund.

Louisiana Youth Academy Boot Camp Fund - This fund accounts for the operations of the boot camp at the Louisiana Youth Academy. When the Louisiana Youth Academy Hospital closed, the General Fund began funding the boot camp and expenditures are included in the General Fund.

Jail Commissary Fund - This fund accounts for the purchases and sales of cigarettes, candies, and notions for prisoners housed in the Rapides Parish Jail, as well as items purchased with the gross profits from the sale of the merchandise.

Halfway House Commissary Fund - This fund accounts for the purchases and sales of cigarettes, candies, and notions for prisoners housed at the Halfway House located on Highway 28 West, as well as items purchased with the gross profits from the sale of the merchandise.

Female Detention Center (FDC) Commissary Fund - This fund accounts for the purchases and sales of cigarettes, candies, and notions for prisoners housed at the Halfway House located on Highway 28 West, as well as items purchased with the gross profits from the sale of the merchandise.

Drug Enforcement Fund - This fund accounts for the activities and transactions related to the Metro Narcotics Task Force.

RAPIDES PARISH SHERIFF
ALEXANDRIA, LOUISIANA
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
JUNE 30, 1998

EXHIBIT E-1

	CCDC HOSPITAL FUND	JAIL COMMISSARY FUND	HALFWAY HOUSE COMMISSARY FUND	FEMALE DETENTION CENTER COMMISSARY FUND	DRUG ENFORCEMENT FUND	TOTALS
ASSETS						
Cash	\$1,979,912	\$ 8,968	\$2,947	\$	\$85,855	\$2,077,682
Certificates of deposit	3,100,000					3,100,000
Accounts receivable			148		9,240	9,388
Due from Jail Inmate Fund		2,059				2,059
Due from FDC Inmate Fund				8,176		8,176
Due from Debt Service Fund	2,663					2,663
Accrued interest receivable	38,358					38,358
Merchandise inventory		6,449	3,076	4,901		14,426
<u>TOTAL ASSETS</u>	<u>\$5,120,933</u>	<u>\$17,476</u>	<u>\$6,171</u>	<u>\$13,077</u>	<u>\$95,095</u>	<u>\$5,252,752</u>
LIABILITIES AND FUND EQUITY						
LIABILITIES						
Accounts payable		\$ 2,306	\$ 690	\$ 20	\$	\$ 3,016
Due to General Fund			1,447		4,396	4,396
Due to Halfway House Inmate Fund			2,137		4,396	1,447
Total Liabilities	-0-	2,306	2,137	20	4,396	8,859
FUND EQUITY						
Fund Balances - Unreserved	5,120,933	15,170	4,034	13,057	90,699	5,243,893
<u>TOTAL LIABILITIES AND FUND EQUITY</u>	<u>\$5,120,933</u>	<u>\$17,476</u>	<u>\$6,171</u>	<u>\$13,077</u>	<u>\$95,095</u>	<u>\$5,252,752</u>

The accompanying notes are an integral part of the financial statements.

RAPIDES PARISH SHERIFF
ALEXANDRIA, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 1998

EXHIBIT E-2

		LOUISIANA YOUTH ACADEMY HOSPITAL FUND	LOUISIANA YOUTH ACADEMY BOOT CAMP FUND	JAIL COMMISSARY FUND	HALFWAY HOUSE COMMISSARY FUND	FEMALE DETENTION CENTER COMMISSARY FUND	DRUG ENFORCEMENT FUND	<u>TOTALS</u>
REVENUES								
Intergovernmental	\$		\$ 6,246	\$ 10,500	\$ 1,921	\$	\$ 87,497	\$ 93,743
Fees, commissions, etc.		214,045		480			46,788	273,274
Interest earned		6,757		125,223	81,542	64		226,555
Sale of merchandise		3,401		1,917	352	771	1,018	241,302
Miscellaneous		<u>224,203</u>	<u>6,246</u>	<u>138,120</u>	<u>83,815</u>	<u>35,372</u>	<u>135,303</u>	<u>7,459</u>
Total Revenues								<u>842,333</u>
EXPENDITURES								
Current								
Salaries and related								
benefits			62,934					417,626
Office operations		312,243	8,562	101,003	61,183	19,069	42,449	424,809
Insurance		148,438	9,554				86,519	34,539
Travel and training		24,985			1,447	3,246	1,631	2,483
Inmates				2,921				7,614
Professional fees		124,089						124,089
Capital outlay		2,313		1,783			2,110	429,972
Total Expenditures		<u>612,920</u>	<u>81,050</u>	<u>105,707</u>	<u>62,630</u>	<u>22,315</u>	<u>132,709</u>	<u>1,441,132</u>
EXCESS (DEFICIENCY) OF			(74,804)	32,413	21,185	13,057	2,594	(598,799)
REVENUES OVER EXPENDITURES		(388,717)						
OTHER FINANCING SOURCES (USES)								
Operating transfers in		357,551	74,804				12,336	444,691
Operating transfers out		<u>(312,923)</u>		<u>(57,966)</u>	<u>(19,200)</u>			<u>(2,265,068)</u>
Total Other Financing								
Sources (Uses)		<u>44,628</u>	74,804	<u>(57,966)</u>	<u>(19,200)</u>	-0-	12,336	<u>(1,820,377)</u>
EXCESS (DEFICIENCY) OF				(25,553)	1,985	13,057	14,930	(2,419,176)
REVENUES AND OTHER FINANCING								
SOURCES OVER EXPENDITURES								
AND OTHER FINANCING USES		(2,079,506)	-0-	40,723	2,049	-0-	75,769	7,663,069
FUND BALANCES, BEGINNING OF								
YEAR		7,088,290	-0-					
RESIDUAL EQUITY TRANSFER		<u>112,149</u>						<u>-0-</u>
FUND BALANCES, END OF YEAR		<u>\$ 5,120,933</u>	<u>\$ -0-</u>	<u>\$ 15,170</u>	<u>\$ 4,034</u>	<u>\$ 13,057</u>	<u>\$ 90,699</u>	<u>\$ 5,243,893</u>

The accompanying notes are an integral part of the financial statements.

RAPIDES PARISH SHERIFF
ALEXANDRIA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CENLA CHEMICAL DEPENDENCY COUNCIL HOSPITAL FUND
YEAR ENDED JUNE 30, 1998

EXHIBIT E-3

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Insurance - private pay	\$	\$ 20	\$ 20
Interest earned	220,000	219,254	(746)
Miscellaneous	<u>150</u>	<u> </u>	<u>(150)</u>
Total Revenues	220,150	219,274	(876)
EXPENDITURES			
Current			
Office operations		35	(35)
Capital outlay			
Building - Eighth Street, Alexandria	<u>423,916</u>	<u>423,766</u>	<u>150</u>
Total Expenditures	<u>423,916</u>	<u>423,801</u>	<u>115</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(203,766)	(204,527)	(761)
OTHER FINANCING USES			
Operating transfers out			
Louisiana Youth Academy Hospital Fund	(357,551)	(357,551)	-0-
Debt Service Fund	(544,450)	(543,063)	1,387
Capital Projects Fund	<u>(974,365)</u>	<u>(974,365)</u>	<u>-0-</u>
Total Other Financing Uses	<u>(1,876,366)</u>	<u>(1,874,979)</u>	<u>1,387</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	(2,080,132)	(2,079,506)	626
FUND BALANCE, BEGINNING OF YEAR	7,088,290	7,088,290	-0-
RESIDUAL EQUITY TRANSFER IN FROM LOUISIANA YOUTH ACADEMY HOSPITAL FUND	<u>112,149</u>	<u>112,149</u>	<u>-0-</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 5,120,307</u>	<u>\$ 5,120,933</u>	<u>\$ 626</u>

The accompanying notes are an integral part of the financial statements.

RAPIDES PARISH SHERIFF
ALEXANDRIA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LOUISIANA YOUTH ACADEMY HOSPITAL FUND
YEAR ENDED JUNE 30, 1998

EXHIBIT E-4

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Patient hospital revenue			
Medicaid revenue	\$ 125,756	\$ 179,478	\$ 53,722
Commercial insurance		34,567	34,567
Interest earned	6,139	6,757	618
Miscellaneous	3,300	3,401	101
Total Revenues	<u>135,195</u>	<u>224,203</u>	<u>89,008</u>
EXPENDITURES			
Current			
Salaries and related benefits	300,705	312,243	(11,538)
Contract labor		3,555	(3,555)
Office expense and supplies	223,207	7,520	215,687
Medical expense and supplies		2,792	(2,792)
Linen and laundry supplies		990	(990)
Pharmacy		3,460	(3,460)
Telephone		6,435	(6,435)
Utilities		17,105	(17,105)
Dues and subscriptions		144	(144)
Vehicle expense		586	(586)
Repairs and maintenance		4,479	(4,479)
Licenses		120	(120)
Bad debts		77,448	(77,448)
Medicaid denials		10,841	(10,841)
Equipment rentals		1,820	(1,820)
Food		5,914	(5,914)
Recreation		2,612	(2,612)
Advertising		2,398	(2,398)
Public relations		85	(85)
Miscellaneous		134	(134)
Insurance		24,985	(24,985)
Travel		852	(852)
Professional fees			
Management fees		39,662	(39,662)
Accounting fees		14,150	(14,150)
Physician consultant		67,677	(67,677)
Other consultants		2,600	(2,600)
Capital outlay		2,313	(2,313)
Total Expenditures	<u>523,912</u>	<u>612,920</u>	<u>(89,008)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(388,717)	(388,717)	-0-
OTHER FINANCING SOURCES (USES)			
Operating transfers in			
Cenla Chemical Dependency Council Hospital Fund	357,551	357,551	-0-
Operating transfers out			
General Fund	(238,119)	(238,119)	-0-
Louisiana Youth Academy Boot Camp Fund	(74,804)	(74,804)	-0-
Total Other Financing Sources (Uses)	<u>44,628</u>	<u>44,628</u>	<u>-0-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(344,089)	(344,089)	-0-
FUND BALANCE, BEGINNING OF YEAR	456,238	456,238	-0-
RESIDUAL EQUITY TRANSFER TO CCDC HOSPITAL FUND	(112,149)	(112,149)	-0-
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

The accompanying notes are an integral part of the financial statements.

RAPIDES PARISH SHERIFF
ALEXANDRIA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LOUISIANA YOUTH ACADEMY BOOT CAMP FUND
YEAR ENDED JUNE 30, 1998

EXHIBIT E-5

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES			
Intergovernmental			
Federal grant - drug enforcement	\$ 6,246	\$ 6,246	\$ -0-
EXPENDITURES			
Current			
Salaries and related benefits	84,725	62,934	21,791
Office operations	12,193	8,562	3,631
Insurance		<u>9,554</u>	<u>(9,554)</u>
Total Expenditures	<u>96,918</u>	<u>81,050</u>	<u>15,868</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(90,672)	(74,804)	15,868
OTHER FINANCING SOURCES			
Operating transfers in			
General Fund	15,868		(15,868)
Louisiana Youth Academy Hospital Fund	<u>74,804</u>	<u>74,804</u>	<u>-0-</u>
Total Other Financing Sources	<u>90,672</u>	<u>74,804</u>	<u>(15,868)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	-0-	-0-	-0-
FUND BALANCE, BEGINNING OF YEAR	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

The accompanying notes are an integral part of the financial statements.

RAPIDES PARISH SHERIFF
ALEXANDRIA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
JAIL COMMISSARY FUND
YEAR ENDED JUNE 30, 1998

EXHIBIT E-6

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Sale of merchandise	\$135,000	\$125,223	\$ (9,777)
Telephone commissions	21,000	10,500	(10,500)
Interest earned	500	480	(20)
Miscellaneous	<u> </u>	<u>1,917</u>	<u>1,917</u>
Total Revenues	156,500	138,120	(18,380)
EXPENDITURES			
Current			
Cost of merchandise sold	100,000	100,803	(803)
Pea farm expenses		200	(200)
Inmate welfare expenses	4,000	2,921	1,079
Capital outlay	<u> </u>	<u>1,783</u>	<u>(1,783)</u>
Total Expenditures	104,000	105,707	(1,707)
EXCESS OF REVENUES OVER EXPENDITURES	52,500	32,413	(20,087)
OTHER FINANCING USES			
Operating transfer out			
General Fund	<u>(65,000)</u>	<u>(57,966)</u>	<u>7,034</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	(12,500)	(25,553)	(13,053)
FUND BALANCE, BEGINNING OF YEAR	<u>40,723</u>	<u>40,723</u>	<u>-0-</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 28,223</u>	<u>\$ 15,170</u>	<u>\$(13,053)</u>

The accompanying notes are an integral part of the financial statements.

RAPIDES PARISH SHERIFF
ALEXANDRIA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HALFWAY HOUSE COMMISSARY FUND
YEAR ENDED JUNE 30, 1998

EXHIBIT E-7

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Sale of merchandise	\$ 80,000	\$ 81,542	\$ 1,542
Telephone commissions		1,921	1,921
Miscellaneous	<u>2,000</u>	<u>352</u>	<u>(1,648)</u>
Total Revenues	82,000	83,815	1,815
EXPENDITURES			
Current			
Cost of merchandise sold	62,000	61,108	892
Office operations		75	(75)
Inmate welfare expenses		<u>1,447</u>	<u>(1,447)</u>
Total Expenditures	<u>62,000</u>	<u>62,630</u>	<u>(630)</u>
EXCESS OF REVENUES OVER EXPENDITURES	20,000	21,185	1,185
OTHER FINANCING USES			
Operating transfer out General Fund	<u>(20,000)</u>	<u>(19,200)</u>	<u>800</u>
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	-0-	1,985	1,985
FUND BALANCE, BEGINNING OF YEAR	<u>2,049</u>	<u>2,049</u>	<u>-0-</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 2,049</u>	<u>\$ 4,034</u>	<u>\$ 1,985</u>

The accompanying notes are an integral part of the financial statements.

RAPIDES PARISH SHERIFF
ALEXANDRIA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FEMALE DETENTION CENTER COMMISSARY FUND
YEAR ENDED JUNE 30, 1998

EXHIBIT E-8

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Sale of merchandise	\$26,000	\$34,537	\$ 8,537
Interest earned		64	64
Miscellaneous		<u>771</u>	<u>771</u>
Total Revenues	<u>26,000</u>	<u>35,372</u>	<u>9,372</u>
 EXPENDITURES			
Current			
Cost of merchandise sold	19,000	18,737	263
Office operations		332	(332)
Inmate welfare expenses		<u>3,246</u>	<u>(3,246)</u>
Total Expenditures	<u>19,000</u>	<u>22,315</u>	<u>(3,315)</u>
 EXCESS OF REVENUES OVER EXPENDITURES	 7,000	 13,057	 6,057
 FUND BALANCE, BEGINNING OF YEAR	 <u>-0-</u>	 <u>-0-</u>	 <u>-0-</u>
 <u>FUND BALANCE, END OF YEAR</u>	 <u>\$ 7,000</u>	 <u>\$13,057</u>	 <u>\$ 6,057</u>

The accompanying notes are an integral part of the financial statements.

RAPIDES PARISH SHERIFF
ALEXANDRIA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DRUG ENFORCEMENT FUND
YEAR ENDED JUNE 30, 1998

EXHIBIT E-9

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Intergovernmental			
Federal grants	\$ 73,697	\$ 73,697	\$ -0-
Local matches	13,800	13,800	-0-
Commission on forfeited assets	41,400	46,788	5,388
Miscellaneous		<u>1,018</u>	<u>1,018</u>
Total Revenues	<u>128,897</u>	<u>135,303</u>	<u>6,406</u>
EXPENDITURES			
Current			
Salaries and related benefits	44,157	42,449	1,708
Building lease	20,400	20,400	-0-
Building maintenance		688	(688)
Utilities	3,800	3,965	(165)
Dog maintenance	2,898	1,790	1,108
Telephone	10,974	10,770	204
Informants and undercover operations	32,500	33,607	(1,107)
Undercover supplies	4,831	3,349	1,482
Office expense	9,559	10,580	(1,021)
Vehicle expense		1,370	(1,370)
Insurance	225		225
Travel and training	2,226	1,631	595
Capital outlay	<u>2,500</u>	<u>2,110</u>	<u>390</u>
Total Expenditures	<u>134,070</u>	<u>132,709</u>	<u>1,361</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,173)	2,594	7,767
OTHER FINANCING SOURCES			
Operating transfer in General Fund	<u>12,336</u>	<u>12,336</u>	<u>-0-</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	7,163	14,930	7,767
FUND BALANCE, BEGINNING OF YEAR	<u>75,769</u>	<u>75,769</u>	<u>-0-</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 82,932</u>	<u>\$ 90,699</u>	<u>\$ 7,767</u>

The accompanying notes are an integral part of the financial statements.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources and payment of revenue bond principal and interest. The bonds were issued to finance construction, acquisition, and equipment of the 120 bed youth academy (Louisiana Youth Academy). They are to be repaid with funds generated by the operation of the Louisiana Youth Academy Hospital or remaining funds in the Cenla Chemical Dependency Council Hospital Fund after the construction of the Youth Academy. This fund is also used to account for the accumulation of resources and payment of principal and interest on the two million dollar certificates of indebtedness issued for the construction of the new jail (DC3) located near the Louisiana Youth Academy.

RAPIDES PARISH SHERIFF
ALEXANDRIA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE -- BUDGET AND ACTUAL
DEBT SERVICE FUND
YEAR ENDED JUNE 30, 1998

EXHIBIT F-1

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Interest earned	\$ 7,000	\$ 6,937	\$ (63)
EXPENDITURES			
Debt service			
Principal	360,000	360,000	-0-
Interest	<u>190,000</u>	<u>190,000</u>	<u>-0-</u>
Total Expenditures	550,000	550,000	-0-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(543,000)	(543,063)	(63)
OTHER FINANCING SOURCES			
Operating transfers in			
General Fund	92,093	92,093	-0-
CCDC Hospital Fund	<u>544,450</u>	<u>543,063</u>	<u>(1,387)</u>
Total Other Financing Sources	<u>636,543</u>	<u>635,156</u>	<u>(1,387)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	93,543	92,093	(1,450)
FUND BALANCE, BEGINNING OF YEAR	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>FUND BALANCE, END OF YEAR</u>	<u>\$ 93,543</u>	<u>\$ 92,093</u>	<u>\$(1,450)</u>

The accompanying notes are an integral part of the financial statements.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for the acquisition and construction of Detention Center 3 (DC3), a new jail located near the Louisiana Youth Academy.

RAPIDES PARISH SHERIFF
ALEXANDRIA, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
CAPITAL PROJECTS FUND - DETENTION CENTER 3
YEAR ENDED JUNE 30, 1998

EXHIBIT G-1

REVENUES

Intergovernmental	
Federal grant	\$ 500,000
City of Alexandria	1,000,000
Interest earned	<u>66,232</u>
Total Revenues	1,566,232

EXPENDITURES

Capital outlay	
Construction in progress - Detention Center 3 (DC3)	<u>2,228,742</u>

EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(662,510)
---	-----------

OTHER FINANCING SOURCES

Operating transfer in	
CCDC Hospital Fund	974,365
Proceeds from bond issuance	<u>2,000,000</u>
Total Other Financing Sources	2,974,365

EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	2,311,855
---	-----------

FUND BALANCE, BEGINNING OF YEAR	<u>-0-</u>
---------------------------------	------------

<u>FUND BALANCE, END OF YEAR</u>	<u>\$2,311,855</u>
----------------------------------	--------------------

The accompanying notes are an integral part of the financial statements.

AGENCY FUNDS

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governmental entities, and/or other funds.

Sheriff's Civil Fund - This fund is used to account for cash received from sheriff's sales, garnishment of wages, and services provided to other governmental units. Also, certain amounts are held pursuant to judicial orders pending finalization of legal suits.

Tax Collector Fund - This fund is used to account for collection of assessed ad valorem taxes, sportsman's licenses, and redemptions of ad valorem taxes and the disposition to the applicable taxing bodies.

Cash Bond Fund - This fund is used to account for cash bonds received for prisoners' release pending trial.

Fines and Costs Fund - This fund is used to account for fines and costs on traffic and other legal violations received by the Sheriff to be distributed in accordance with specific laws and regulations.

Jail Inmate Fund - This fund is used to account for cash held for each prisoner in the jail. This money may be used by the prisoner for commissary purchases and any remaining cash is returned to the prisoner when he/she is released.

Halfway House Inmate Fund - This fund is used to account for cash held for each prisoner located at the Halfway House. Many of these prisoners work and their paychecks are deposited into this account. Since they are charged for room and board and transportation, amounts for these items are transferred to the General Fund each month.

Female Detention Center (FDC) Inmate Fund - This fund is used to account for cash held for each prisoner located at the Female Detention Center. This money may be used by the prisoner for commissary purchases and any remaining cash is returned to the prisoner when he/she is released.

RAPIDES PARISH SHERIFF
 ALEXANDRIA, LOUISIANA
 COMBINING BALANCE SHEET
 FIDUCIARY FUND TYPES - ALL AGENCY FUNDS
 JUNE 30, 1998

EXHIBIT H-1

		TAX COLLECTOR FUND	CASH BOND FUND	FINES AND COSTS FUND	JAIL INMATE FUND	HALFWAY HOUSE INMATE FUND	FEMALE DETENTION CENTER INMATE FUND	TOTALS
ASSETS								
Cash	\$104,446	\$2,072,723	\$33,327	\$153,652	\$20,008	\$135,166	\$11,109	\$2,530,431
Due from Halfway House Commissary Fund	<u>\$104,446</u>	<u>\$2,072,723</u>	<u>\$33,327</u>	<u>\$153,652</u>	<u>\$20,008</u>	<u>\$136,613</u>	<u>\$11,109</u>	<u>\$2,531,878</u>
	\$ 37,502	\$ 1,500	\$ 629	\$ 25,418	\$ 3,575	\$ 46,879	\$	\$ 115,503
LIABILITIES								
Due to General Fund								
Due to Jail Commissary Fund					2,059			2,059
Due to FDC Commissary Fund	66,944						8,176	8,176
Unsettled balances due to taxing bodies and others		2,071,223						2,071,223
Due to inmates					14,374	89,734	2,933	107,041
Due to others			32,698	128,234				160,932
TOTAL LIABILITIES	<u>\$104,446</u>	<u>\$2,072,723</u>	<u>\$33,327</u>	<u>\$153,652</u>	<u>\$20,008</u>	<u>\$136,613</u>	<u>\$11,109</u>	<u>\$2,531,878</u>

The accompanying notes are an integral part of the financial statements.

RAPIDES PARISH SHERIFF
ALEXANDRIA, LOUISIANA
COMBINING STATEMENT OF CHANGES
IN ASSETS AND LIABILITIES
FIDUCIARY FUND TYPES - ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 1998

EXHIBIT H-2

	SHERIFF'S CIVIL FUND	TAX COLLECTOR FUND	CASH BOND FUND	FINES AND COSTS FUND	JAIL INMATE FUND	HALFWAY HOUSE INMATE FUND	FEMALE DETENTION CENTER INMATE FUND	TOTALS
BALANCES, BEGINNING OF YEAR	\$ 101,616	\$ 2,063,323	\$ 27,888	\$ 130,157	\$ 11,147	\$ 147,668	\$ -0-	\$ 2,481,799
ADDITIONS								
Deposits								
Sheriff's sales, etc.	1,537,166							1,537,166
Bonds, fines, and costs		56,987		1,691,837				1,748,824
Other deposits	80,659				216,974	1,291,226	66,862	1,655,721
Taxes, fees, etc., paid to tax collector		43,882,356						43,882,356
Other additions		1,429		2,299				3,728
Total Additions	<u>1,617,825</u>	<u>43,882,356</u>	<u>58,416</u>	<u>1,694,136</u>	<u>216,974</u>	<u>1,291,226</u>	<u>66,862</u>	<u>48,827,795</u>
REDUCTIONS								
Taxes, fees, etc., distributed to taxing bodies and others		43,872,956						43,872,956
Deposits settled to:								
Sheriff's General Fund	471,902		7,535	260,482		604,344		1,344,263
Rapides Parish Police Jury				763,779				763,779
District Attorney				199,823				199,823
Clerk of Court	52,697			60,713				113,410
Litigants	823,120							823,120
Other settlements	186,617		45,442	385,844				617,903
Other reductions	80,659				208,113	697,937	55,753	1,042,462
Total Reductions	<u>1,614,995</u>	<u>43,872,956</u>	<u>52,977</u>	<u>1,670,641</u>	<u>208,113</u>	<u>1,302,281</u>	<u>55,753</u>	<u>48,777,716</u>
BALANCES, END OF YEAR	<u>\$ 104,446</u>	<u>\$ 2,072,723</u>	<u>\$ 33,327</u>	<u>\$ 153,652</u>	<u>\$ 20,008</u>	<u>\$ 136,613</u>	<u>\$ 11,109</u>	<u>\$ 2,531,878</u>

The accompanying notes are an integral part of the financial statements.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

RAPIDES PARISH SHERIFF
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 1998

SCHEDULE 1

FEDERAL AGENCY/PASS THROUGH GRANTOR/ PROGRAM TITLE	GRANT PERIOD	FEDERAL CFDA NUMBER	AGENCY OR PASS-THROUGH GRANT NUMBER	TOTAL FEDERAL AWARD AMOUNT	AMOUNT OF FEDERAL AWARD EXPENDED
U. S. Department of Justice Bureau of Justice Assistance and Rapides Parish Police Jury Local Law Enforcement Block Grants Program	1/1/97 - 9/30/98 1/1/98 - 9/30/99	16.592	96-LB-VX-3397	\$ 84,674 54,096	\$ 20,656 35,215 <u>55,871</u>
Louisiana Commission on Law Enforcement and St. Martin Parish Sheriff Crime Victim Assistance SALT - ECVA Grant	10/1/97 - 9/30/98	16.575	N/A	VARIABLE	14,399
Louisiana Commission on Law Enforcement and Administration of Criminal Justice Violence Against Women Formula Grants Domestic Violence Investigation	3/1/98 - 2/28/99	16.588	96-M3-M.02-0459	26,705	7,004
Violent Offender Incarceration and Truth in Sentencing Incentive Grants	1/1/96 - 7/31/99	16.586	N/A	500,000	500,000
Byrne Formula Grant Program Multi-Jurisdictional Task Force	7/1/97 - 6/30/98	16.579	97-B3-B.02-0615	73,697	73,697
Street Gang Reduction	4/1/97 - 2/28/98 4/1/98 - 3/31/99		97-B3-B.07-0012 97-B3-B.07-0029	46,540 42,500	33,626 10,626
Boot Camp	1/1/97 - 12/31/97 1/1/98 - 12/31/98		97-B3-B.11-0015 98-B3-B.11-0024	24,642 24,000	12,071 12,186 <u>142,206</u>
Total Byrne Formula Grant Program				248,167	76,316 <u>795,796</u>
Office of Community Oriented Policing Services Public Safety Partnerships and Community Policing Grants COPS Ahead Total U. S. Department of Justice	4/1/95 - 12/31/98	16.710	95-CC-WX-0264	1,796	5,090
U. S. Department of Agriculture - Food and Consumer Service Louisiana Department of Agriculture and Forestry Food Distribution	7/1/97 - 6/30/98	10.550	N/A	1,796	1,796
National School Lunch Program	7/1/97 - 6/30/98	10.555	N/A	5,090	5,090
School Breakfast Program Total U. S. Department of Agriculture	7/1/97 - 6/30/98	10.553	N/A	2,771	2,771 <u>9,657</u>
TOTAL				\$805,453	

Notes:
The Schedule of Expenditures of Federal Awards was prepared on the modified accrual basis of accounting. Note 1 to the financial statements provides additional information relative to the Sheriff's accounting policies.

No federal funds were awarded to subrecipients during the year ended June 30, 1998.

See independent auditor's report.

**OTHER REPORTS REQUIRED
BY GOVERNMENT AUDITING STANDARDS
AND OMB CIRCULAR A-133**

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF GENERAL PURPOSE, COMBINING,
AND INDIVIDUAL FUND FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF GENERAL PURPOSE, COMBINING,
AND INDIVIDUAL FUND FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable William Earl Hilton
Rapides Parish Sheriff
Alexandria, Louisiana

We have audited the general purpose financial statements and the combining and individual fund financial statements of the Rapides Parish Sheriff, Alexandria, Louisiana, as of and for the year ended June 30, 1998, and have issued our report thereon dated December 2, 1998, which was qualified because insufficient audit evidence exists to support the Rapides Parish Sheriff's disclosures with respect to the year 2000 issue. Except as discussed in the preceding sentence, 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 Rapides Parish Sheriff's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed 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 Sheriff's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide

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The Honorable William Earl Hilton
Rapides Parish Sheriff
Alexandria, Louisiana

assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Sheriff's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 98-01 through 98-05.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control 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, of the reportable conditions described above, we consider item 98-01 to be a material weakness.

This report is intended for the information of the Rapides Parish Sheriff, management, the Louisiana Legislative Auditor's office, and grantor agencies. However, this report is a matter of public record and its distribution is not limited.

Payne, Moore & Herrington, LLP
Certified Public Accountants

December 2, 1998

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

The Honorable William Earl Hilton
Rapides Parish Sheriff
Alexandria, Louisiana

Compliance

We have audited the compliance of the Rapides Parish Sheriff with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 1998. The Sheriff's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Sheriff's management. Our responsibility is to express an opinion on the Sheriff's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Sheriff's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Sheriff's compliance with those requirements.

In our opinion, the Rapides Parish Sheriff complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1998.

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PAYNE, MOORE & HERRINGTON, LLP

The Honorable William Earl Hilton
Rapides Parish Sheriff
Alexandria, Louisiana

Internal Control Over Compliance

The management of the Rapides Parish Sheriff is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Sheriff's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the Rapides Parish Sheriff, management, the Louisiana Legislative Auditor's office, and grantor agencies. However, this report is a matter of public record and its distribution is not limited.

Payne, Moore & Herrington, LLP
Certified Public Accountants

December 2, 1998

**RAPIDES PARISH SHERIFF
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 1998**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Qualified

Internal control over financial reporting:

Material weaknesses identified? x yes no

Reportable conditions identified that are not considered to be material weaknesses? x yes none reported

Noncompliance material to financial statements noted? yes x no

Federal Awards

Internal control over major programs:

Material weaknesses identified? yes x no

Reportable conditions identified that are not considered to be material weaknesses? yes x none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? yes x no

Identification of major programs:

CFDA Number

16.586

Name of Federal Program

Violent Offender Incarceration and Truth in Sentencing Incentive Grants

Dollar threshold used to distinguish between type A and type B programs:

\$300,000

Auditee qualified as low-risk auditee?

 yes x no

**RAPIDES PARISH SHERIFF
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 1998**

SECTION II - FINANCIAL STATEMENT FINDINGS

MATERIAL WEAKNESS

FINDING 98-01 - MISSING DEPOSITS

Criteria: Internal controls should be established to reduce to a relatively low level the risk that noncompliance with management's authorized procedures would be detected within a timely period by employees in the normal course of performing their assigned functions.

Condition: Various receipts of money and checks were not deposited into the Sheriff's account. Receipts for probation fees and other fees are missing from the General Fund deposits. Some of these checks were deposited into the Cash Bond Fund in lieu of the cash that was received for the cash bond.

Questioned Costs: \$11,687

Context: See questioned costs.

Effect: Some revenue received by the Rapides Parish Sheriff office was not deposited. Also, a bond could be refunded incorrectly without ever having been paid.

Cause: There is no control in place for routine comparison of receipts received in the correctional facilities (Jail, Halfway House, Female Detention Center) to what is actually deposited into the General Fund operational account. Also, receipts for cash bonds are not compared to the actual deposits made in the Cash Bond Account.

Recommendation: We recommend that receipts continue to be written every time a cash bond is received. These receipts should be compared to deposits made in the Cash Bond account. Separate lists of outstanding bonds should be kept by the Bonds and Fines department and the accounting department and compared periodically for accuracy. Also, the list of outstanding bonds should be reconciled to the cash held in the bank account. Bond refunds should not be paid until the lists are checked to ensure that it was paid and has not already been refunded. The lists of probation fees, work release, etc. should be compared with deposits made in the General Fund.

Management's Response: See Management's Corrective Action Plan.

**RAPIDES PARISH SHERIFF
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 1998**

REPORTABLE CONDITIONS

FINDING 98-02 - INMATE FUNDS

Criteria: Agency funds are clearing accounts used to account for assets held for other funds, governments, non-governmental entities, or individuals in a custodial capacity. The Sheriff is responsible for the collection and accounting of the inmate funds when they are kept in his custody.

Condition: The inmate funds are not being reconciled to the cash balance on a regular basis in the Halfway House or the Female Detention Center. The balance in these bank accounts do not reconcile back to the amount owed the inmates per the listing by inmate. Without reconciling these balances regularly, there is no way to know if inmates are getting the proper amount of money from the correctional facilities when they leave.

Questioned Costs: None

Context: The Halfway House inmate cash was \$1,447 short per the listing of inmates. The Female Detention Center cash was \$510 short per the listing of inmates even though it had only been in operation less than one year. Some of the shortage was caused by bank charges not being reimbursed by the Commissary Funds. Also, transfers to the Commissary Funds for purchased items are not being made in a timely manner.

Effect: There is no way to know if all disbursements from the inmate funds are proper and whether all receipts are being deposited.

Cause: There is no control in place for routine reconciliation of cash to amount owed the inmates. Also, there have been some computer programming problems relating to inmates transferring between facilities.

Recommendation: We recommend that procedures be established to investigate and correct any differences between the cash balance and the amount held for inmates on a monthly basis. Any check charges, etc. in the Inmate Funds should be paid by the Commissary Funds. Medical payments withheld from inmates account should be transferred to the General Fund. We also recommend that transfers be made between the Inmate Funds and the Commissary Funds as soon as possible after the day of the sale. Many times, the transfers are only done monthly. Another recommendation is that checks (or cash) be issued to inmates at the time of release or transfer to limit the problems with the computer programming and locating inmates once they have been released.

Management's Response: See Management's Corrective Action Plan.

**RAPIDES PARISH SHERIFF
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 1998**

FINDING 98-03 - DUPLICATE PAYMENT OF INVOICES

Criteria: The accounting personnel are responsible for checking the invoices from vendors for improper tax charges, prior balances, etc. before paying them.

Condition: On several occasions, invoices for legal fees were paid twice because of a balance brought forward.

Questioned Costs: \$7,206

Context: Four out of twelve checks reviewed which were paid to the attorneys included some duplicate payments.

Effect: Overpayments occurred on the legal fees.

Cause: The prior balances were not checked by accounting personnel to determine whether they had already been paid.

Recommendation: We recommend that all balances brought forward from prior periods be investigated as to whether or not they have been paid.

Management's Response: See Management's Corrective Action Plan.

FINDING 98-04 - SHERIFF'S CIVIL FUND SEIZURE DEPOSITS

Criteria: Agency funds are clearing accounts used to account for assets held for other funds, governments, non-governmental entities, or individuals in a custodial capacity. The Sheriff's civil department is responsible for the collection and accounting of the seizure deposits made on behalf of creditors.

Condition: The computerized seizure deposits detail by case do not agree with the computerized recap of seizure deposits held. The recap agrees with the cash on hand for seizure deposits. The detail does not agree with the hand kept cards by case either. Since the detail does not agree, there is no way to know for whom the money is being held.

Questioned Costs: Unknown

Context: Not applicable.

Effect: Accounting for seizure deposits is incorrect.

Cause: The personnel responsible for accounting for the seizure deposits did not understand how to input the computerized data.

**RAPIDES PARISH SHERIFF
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 1998**

Recommendation: We recommend that the detail computerized deposits be corrected to agree with the hand kept cards so that the balance of cash can be reconciled properly each month. We also recommend that the Civil Department become fully automated so that the computerized data can be relied upon.

Management's Response: See Management's Corrective Action Plan.

FINDING 98-05 - YEAR 2000 ISSUE

Criteria: The year 2000 issue is the result of shortcomings in many electronic data-processing systems and other equipment that may adversely affect operations in the year 1999 and beyond. For many years, programmers eliminated the first two digits from a year when writing programs. Unfortunately, many programs, if not corrected, will not be able to distinguish between the year 2000 and the year 1900. This may cause the programs to process data inaccurately or to stop processing data altogether. Another factor that may cause problems in programs is the leap-year calculation. Some programs are unable to detect the year 2000 as a leap year.

Problems affecting a wide range of governmental activities will likely result if computers and other electronic equipment that are dependent upon date-sensitive coding are not corrected. These problems have the potential for causing a disruption to some government operations and may temporarily increase the cost of those operations.

Condition: The Sheriff department is only in the assessment stage in the process of correcting the Year 2000 problems. If significant time is not devoted to this, and corrections are not made, major interruptions in activities could occur.

Questioned Costs: Not applicable.

Context: It could affect all areas of activities.

Effect: Major interruptions in activities could occur.

Cause: See criteria.

Recommendation: We recommend that significant time be set aside now to finish the assessment and remediation stages of correcting the systems the Sheriff has so that they will be able to test the systems before January 1, 2000, at which time it may be too late.

Management's Response: See Management's Corrective Action Plan.

**RAPIDES PARISH SHERIFF
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 1998**

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

**RAPIDES PARISH SHERIFF
MANAGEMENT'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 1998**

97-01 - LEGAL COMPLIANCE FOR BUDGETS

Condition: The budget was not amended for the CCDC Hospital Fund or the Louisiana Youth Academy Hospital Fund for the fiscal year ended June 30, 1997, even though budgeted revenues exceeded actual revenues by more than five percent.

Recommendation: It was recommended that budgets be amended to be in compliance with Louisiana laws.

Current Status: This was an occurrence for fiscal year ended June 30, 1997 and budgets were properly amended in fiscal year ended June 30, 1998.

97-02 - FINANCIAL STATEMENTS OF LOUISIANA YOUTH ACADEMY HOSPITAL AND BOOT CAMP

Condition: Financial statements prepared by an outside management company for the Louisiana Youth Academy activities were not prepared timely and were inaccurate when prepared.

Recommendation: It was recommended that these financial statements be prepared properly and timely. It was also recommended that the financial statements include budgeted amounts for comparison.

Current Status: The Sheriff had contracted with a management company to handle these matters and they failed to perform this function. Since that time, the hospital portion of the facility has closed and all applicable accounts are now being handled by the Sheriff and his staff and this problem will not reoccur.

97-03 - ACCOUNTS RECEIVABLE AT LOUISIANA YOUTH ACADEMY HOSPITAL

Condition: The accounts receivable subsidiary ledger for the Louisiana Youth Academy Hospital did not agree with patient files and was unreliable. It also did not agree with the general ledger. Patient files were not being worked for collection. Once these problems were discovered in the audit last year, the management firm hired to do these functions worked the files, documented how the expected revenue was derived, sent reminder invoices, discussed problems with insurance companies, and created a more accurate accounts receivable ledger that could be audited.

Recommendation: It was recommended that the Sheriff hire a full time experienced accountant that could oversee all major financial matters of the Sheriff.

Current Status: A full time experienced accountant has been hired by the Sheriff. Also, the Louisiana Youth Academy Hospital was closed and all recordkeeping has been moved to the Sheriff staff.

**RAPIDES PARISH SHERIFF
MANAGEMENT'S SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 1998**

97-04 - PURCHASE ORDERS AT LOUISIANA YOUTH ACADEMY

Condition: The administrator of the Louisiana Youth Academy Hospital and Boot Camp had established a policy requiring a purchase order to be approved through his office for all purchases. However, this policy was not being followed.

Recommendation: The policy should be followed.

Current Status: Since the closure of the hospital, the Sheriff has taken over all matters related to purchasing and this is being handled through his purchasing department, following approved procedures.

**RAPIDES PARISH SHERIFF
MANAGEMENT'S CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 1998**

The Rapides Parish Sheriff respectfully submits the following corrective action plan for the year ended June 30, 1998.

Independent Public Accounting Firm: Payne, Moore & Herrington, LLP
P. O. Box 13200
Alexandria, LA 71315-3200
(318) 443-1893

Auditee Contact Person: Mark Thibeaux
Rapides Parish Sheriff office
(318) 473-6810

Audit period: July 1, 1997 through June 30, 1998

The findings from the Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the numbers assigned in the Schedule.

MATERIAL WEAKNESS

FINDING 98-01 - MISSING DEPOSITS

Condition: Various receipts of money and checks were not deposited into the Sheriff's account. Receipts for probation fees and other fees are missing from the General Fund deposits. Some of these checks were deposited into the Cash Bond Fund in lieu of the cash that was received for the cash bond.

Recommendation: It is recommended that receipts continue to be written every time a cash bond is received and compared to deposits made in the Cash Bond account. Separate lists of outstanding bonds should be kept by the Bonds and Fines department and the accounting department and compared periodically for accuracy. Also, the list of outstanding bonds should be reconciled to the cash held in the bank account. Bond refunds should not be paid until the lists are checked to ensure that it was paid and has not already been refunded. Also, the lists of probation fees, work release, etc. should be compared with deposits made in the General Fund.

Action taken: Duties have been segregated so that the person making deposits is not the same one keeping the records and reconciling the bank. We will begin reconciling receipts received to the general ledger, and will begin implementing all other recommendations.

**RAPIDES PARISH SHERIFF
MANAGEMENT'S CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 1998**

REPORTABLE CONDITIONS

FINDING 98-02 - INMATE FUNDS

Condition: The inmate funds are not being reconciled to the cash balance on a regular basis in the Halfway House or the Female Detention Center. The balance in these bank accounts do not reconcile back to the amount owed the inmates per the listing by inmate. Without reconciling these balances regularly, there is no way to know if inmates are getting the proper amount of money from the correctional facilities when they leave.

Recommendation: It is recommended that procedures be established to investigate and correct any differences between the cash balance and the amount held for inmates on a monthly basis. Any check charges, etc. in the Inmate Funds should be paid by the Commissary Funds. Medical payments withheld from inmates account should be transferred to the General Fund. It is also recommended that transfers be made between the Inmate Funds and the Commissary Funds as soon as possible after the day of the sale. Many times, the transfers are only done monthly. Another recommendation is that checks (or cash) be issued to inmates at the time of release or transfer to limit the problems with the computer programming and locating the inmates once they have been released.

Action taken: We are aware of this problem and implemented some corrective action, and have developed a plan to alleviate the remaining problems. This plan will be implemented during the first few months of the 1999 year.

FINDING 98-03 - DUPLICATE PAYMENT OF INVOICES

Condition: On several occasions, invoices for legal fees were paid twice because of a balance brought forward.

Recommendation: It is recommended that all balances brought forward from prior periods be investigated as to whether or not they have been paid.

Action taken: This problem has already been resolved. A second person has been assigned to review all invoices prior to completion of the payment process.

**RAPIDES PARISH SHERIFF
MANAGEMENT'S CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 1998**

FINDING 98-04 - SHERIFF'S CIVIL FUND SEIZURE DEPOSITS

Condition: The computerized seizure deposits detail by case do not agree with the computerized recap of seizure deposits held. The recap agrees with the cash on hand for seizure deposits. The detail does not agree with the hand kept cards by case either. Since the detail does not agree, there is no way to know for whom the money is being held.

Recommendation: It is recommended that the detail computerized deposits be corrected to agree with the hand kept cards so that the balance of cash can be reconciled properly each month. It is also recommended that the Civil Department become fully automated so that the computerized data can be relied upon.

Action taken: We are aware of this problem and implemented some corrective action, and have developed a plan to alleviate the remaining problems. This plan will be implemented during the first few months of the 1999 year.

FINDING 98-05 - YEAR 2000 ISSUE

Condition: The Sheriff department is only in the assessment stage in the process of correcting the Year 2000 problems. If significant time is not devoted to this, and corrections are not made, major interruptions in activities could occur.

Recommendation: It is recommended that significant time be set aside now to finish the assessment and remediation stages of correcting the systems the Sheriff has so that they will be able to test the systems before January 1, 2000, at which time it may be too late.

Action taken: See Note 11 of the financial statements for the status of actions currently being taken to answer this problem.