

WEST BATON ROUGE PARISH  
CLERK OF COURT  
PORT ALLEN, LOUISIANA  
GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2002

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

Release Date 1/8/03

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## INDEPENDENT AUDITOR'S REPORT

October 29, 2002

Honorable Mark Graffeo, Clerk of Court - West Baton Rouge Parish  
Port Allen, Louisiana

I have audited the accompanying general purpose financial statements of the West Baton Rouge Parish Clerk of Court as of June 30, 2002, and for the year then ended. These general purpose financial statements are the responsibility of the West Baton Rouge Parish Clerk of Court's management. My responsibility is to express an opinion on these General Purpose financial statements based on my audit.

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

In my opinion, the General Purpose financial statements referred to above present fairly, in all material respects, the financial position of the West Baton Rouge Parish Clerk of Court as of June 30, 2002, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

My audit were made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of West Baton Rouge Parish Clerk of Court. Such information has been subjected to the auditing procedures applied in the audit of the General Purpose financial statements and, in my opinion, is fairly stated in all material respects in relation to the General Purpose financial statements taken as a whole.

In accordance with Government Auditing Standards, I have also issued a report dated October 29, 2002, on our consideration of West Baton Rouge Parish Clerk of Court internal control over financial reporting and our tests of its compliance with laws and regulations. That report is an integral part of an audit performed in accordance with Governmental Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

*Donald C. DeVille*

**WEST BATON ROUGE PARISH CLERK OF COURT**  
**PORT ALLEN, LOUISIANA**  
**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**  
**JUNE 30, 2002**

	<u>GOVERNMENTAL FUND TYPE GENERAL</u>	<u>FIDUCIARY FUND TYPE AGENCY</u>	<u>ACCOUNT GROUP GENERAL FIXED ASSETS</u>	<u>TOTALS (MEMORANDUM ONLY)</u>
<b><u>ASSETS</u></b>				
CASH	\$141,882	\$179,095	-0-	\$320,977
INVESTMENTS-LAMP	-0-	1,627,821	-0-	1,627,821
ACCOUNTS RECEIVABLE	7,385	-0-	-0-	7,385
DUE FROM OTHER GOVERNMENTS	9,412	-0-	-0-	9,412
DUE FROM OTHER FUNDS	-0-	46,946	-0-	46,946
EQUIPMENT	-0-	-0-	\$309,481	309,481
<b>TOTAL ASSETS</b>	<b>158,679</b>	<b>1,853,862</b>	<b>309,481</b>	<b>2,322,022</b>
 <b><u>LIABILITIES AND FUND EQUITY</u></b>				
<b><u>LIABILITIES:</u></b>				
ACCOUNTS PAYABLE	\$2,363	-0-	-0-	2,363
PAYROLL RELATED PAYABLE	5,515	-0-	-0-	5,515
DUE TO OTHER GOVERNMENTS	-0-	-0-	-0-	-0-
DUE TO OTHER FUNDS	46,946	-0-	-0-	46,946
UNSETTLED DEPOSITS	-0-	\$1,853,862	-0-	1,853,862
<b>TOTAL LIABILITIES</b>	<b>54,824</b>	<b>1,853,862</b>	<b>-0-</b>	<b>1,908,686</b>
 <b><u>FUND EQUITY:</u></b>				
INVESTMENT IN GENERAL FIXED ASSETS	-0-	-0-	\$309,481	309,481
FUND BALANCE UNRESERVED-UNDESIGNATED	103,855	-0-	-0-	103,855
<b>TOTAL FUND EQUITY</b>	<b>103,855</b>	<b>-0-</b>	<b>309,481</b>	<b>413,336</b>
<b><u>TOTAL LIABILITIES AND FUND EQUITY</u></b>	<b>158,679</b>	<b>1,853,862</b>	<b>309,481</b>	<b>2,322,022</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET (GAAP BASIS) AND ACTUAL  
GOVERNMENTAL FUND TYPE - GENERAL FUND  
FISCAL YEAR ENDED JUNE 30, 2002

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
INTERGOVERNMENTAL	\$14,400	\$14,235	(165)
FEES AND CHARGES	550,860	539,002	(11,858)
GRANTS	-0-	32,293	32,293
INTEREST INCOME	50,000	35,669	(14,331)
MISCELLANEOUS	1,000	3,859	2,859
	<u>616,260</u>	<u>625,058</u>	<u>8,798</u>
EXPENDITURES			
GENERAL GOVERNMENT			
CURRENT			
SALARIES	336,200	341,215	(5,015)
FRINGE	98,000	106,716	(8,716)
TRAVEL	2,000	2,367	(367)
OPERATING SERVICES	65,060	30,788	34,272
OPERATING SUPPLIES	40,000	56,358	(16,358)
CAPITAL OUTLAY	75,000	102,176	(27,176)
	<u>616,260</u>	<u>639,620</u>	<u>(23,360)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>-0-</u>	<u>(14,562)</u>	<u>(14,562)</u>
FUND BALANCE, JULY 1		<u>118,417</u>	
FUND BALANCE, JUNE 30		<u>103,855</u>	

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

**WEST BATON ROUGE PARISH CLERK OF COURT**  
**PORT ALLEN, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FISCAL YEAR ENDED JUNE 30, 2002**

**INTRODUCTION**

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

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. BASIS OF PRESENTATION**

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

**B. REPORTING ENTITY**

The clerk of court is an independently elected official; however, the clerk of court is fiscally dependent on the West Baton Rouge Parish Council. The Parish Council maintains and operates the parish courthouse in which the clerk of court's office is located and provides funds for equipment and furniture of the clerk of court's office. Because the clerk of court is fiscally dependent on the parish council, the clerk of court was determined to be a component unit of the West Baton Rouge Parish Council, the financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the clerk of court and do not present information on the parish council, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

**C. FUND ACCOUNTING**

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

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

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FISCAL YEAR ENDED JUNE 30, 2002

Funds of the Clerk of Court are classified into two categories: governmental (general fund) and fiduciary (agency funds). These funds are described as follows:

**Governmental Funds** (General Fund)

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

**Fiduciary Funds** (Agency Funds)

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

**D. BASIS OF ACCOUNTING**

The accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The governmental funds are accounted for using a flow of current financial resources measurement focus. The accompanying component unit financial statements have been prepared on the accrual basis of accounting. The governmental funds use the following practices in recording revenues and expenditures:

**Revenues**

Revenues are recognized when they become measurable and available as net current assets. Gross receipts are considered "measurable" when received by the collecting governments and are recognized as revenue at that time. Recordings, cancellations, licenses and permits, court attendance, criminal costs, et cetera, are recorded in the year in which they are earned. Fees earned from the Advance Deposit funds are recorded in the year they are earned. Interest income on the time deposits is recorded when the time deposits have matured and the income is available. Substantially all other revenues are recorded when received. Under the modified accrual basis of accounting, some revenues are susceptible to accrual while others are not. Major revenues treated as susceptible to accrual are recordings, cancellations, court attendance, and criminal costs.

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FISCAL YEAR ENDED JUNE 30, 2002

Expenditures

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

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid (and any other financing source/use) are accounted for as other financing sources (uses).

**E. BUDGET PRACTICES**

The proposed budget for the 2001 fiscal year was made available public inspection at the clerk's office on June 15, 2000. The proposed budget, prepared on the accrual basis of accounting, was published in the official journal 5 days before the public hearing. The budget hearing was held at the clerk's office on June 15, 2000. The budget is legally adopted and amended, as necessary, by the clerk. All appropriations lapse at year-end.

**F. ENCUMBRANCES**

The Clerk of Court does not follow the encumbrance method of accounting.

**G. CASH AND CASH EQUIVALENTS**

Cash includes amounts in demand deposits, interest bearing demand deposits and money market accounts. Cash equivalents include amounts in time deposits with maturities of 90 days or less. Under state law, the Clerk of Court may deposit funds in demand deposits, interest bearing demand deposits, money market accounts or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana.

**H. 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. Short-term interfund loans are classified as interfund receivables/payables.

**I. INVENTORIES**

Inventories in the governmental funds are considered immaterial and the expenditures are recognized when the items are purchased.

**J. PREPAID ITEMS**

Insurance and similar services which extend over more than one accounting period have been recognized as expenditures when paid.



**WEST BATON ROUGE PARISH CLERK OF COURT**  
**PORT ALLEN, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FISCAL YEAR ENDED JUNE 30, 2002**

**K. FIXED ASSETS**

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are reported in the general fixed assets account group. Public domain or infrastructure is not capitalized. Construction period interest, if any, is immaterial and is not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available. No costs were estimated as all costs were available.

**L. COMPENSATED ABSENCES**

The clerk of court has the following policy relating to vacation and sick leave:

Employees of the Clerk of Court's office earn two weeks of vacation leave each year. Vacation leave cannot be accumulated nor carried forward to succeeding years. The Clerk of Court has not adopted a formal policy regarding sick leave. At year-end the employees of the Clerk of Court have no accumulated or vested benefits required to be reported in accordance with generally accepted accounting principles.

**M. TOTAL COLUMN ON COMBINED STATEMENTS**

Total Column on the Combined Statements is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles, nor is such data comparable to consolidation. Interfund eliminations have not been made in the aggregation of this data.

**NOTE 2 - CASH AND CASH EQUIVALENTS**

As of June 30, 2002, the balance of the Clerk's cash accounts were \$320,977. The related bank balance (collected deposits) at that date was \$398,163. These deposits are insured from risk by \$131,192 of federal deposit insurance and \$375,000 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FISCAL YEAR ENDED JUNE 30, 2002

**NOTE 3 - INVESTMENTS**

The Clerk of Court has the following investments at year end:

	<u>BOOK</u>	<u>MARKET</u>
LAMP	\$1,627,821	\$1,627,821

**NOTE 4 - RECEIVABLES AND PAYABLES**

A. Receivables consist of the following at June 30:

<u>CLASS OF RECEIVABLE</u>	<u>GENERAL FUND</u>
Accounts Receivable Customers	\$7,385
Intergovernmental Sheriff	2,786
Police Jury	6,626
	<u>9,412</u>
Total	<u>16,797</u>

**B. Due To/From Other Funds**

The following is a summary of Due To/From Other Funds:

<u>RECEIVABLE FUND</u>	<u>PAYABLE FUND</u>	<u>AMOUNT</u>
General Fund	Advance Deposit	\$46,946

Accounts receivable are written-off under the direct write-off method whereby bad debts are recorded when a receivable is deemed uncollectible. If they are subsequently collected they are recorded as miscellaneous income.

The direct charge-off method is not a material departure from GAAP as it approximates the valuation method.

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FISCAL YEAR ENDED JUNE 30, 2002

**NOTE 5 - CHANGES IN FIXED ASSETS**

A summary of changes in general fixed assets follows:

	<u>Balance</u> <u>JULY 1,</u> <u>2001</u>	<u>Additions</u>	<u>Adjustments</u> <u>(Deletions)</u>	<u>Balance</u> <u>JUNE 30,</u> <u>2002</u>
Equipment	\$216,384	102,176	9,079	\$309,481

**NOTE 6 - PENSION PLAN**

**PLAN DESCRIPTION.** Substantially all employees of the West Baton Rouge Clerk of Court employees are members of the Louisiana Clerks of Court Retirement and Relief Fund ("System"), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All regular employees who are under the age of 60 at the time of original employment are required to participate in the system. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final average salary for each year of credited service, not to exceed 100 per cent of their final average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service, and who do not withdraw their employee contributions, may retire at or after 55 and receive benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Baton Rouge, Louisiana 70816, or by calling (225) 293-1162.

**Funding Policy.** Under Plan A, members are required by state statute to contribute 8.25 percent of their annual covered salary and the West Baton Rouge Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 10.0 percent of annual covered payroll. Contributions to the System include one-fourth of one per cent (one-half of one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish.

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FISCAL YEAR ENDED JUNE 30, 2002

The contributions requirements of the plan members and the West Baton Rouge Parish Clerk of Court are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The West Baton Rouge Clerk of Court's contributions to the System under Plan A for the years ended June 30, 2002, June 30, 2001 and 2000, were \$30,645, \$33,206 and \$26,913, respectively, equal to the required contributions for each year.

**NOTE 7 - OTHER POSTEMPLOYMENT BENEFITS**

The Clerk of Court provides certain continuing health care benefits for its retired employees. Substantially all of the Clerk of Court's employees become eligible for those benefits if they reach normal retirement age while working for the Clerk of Court. Those benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employees and by the Clerk of Court. The Clerk of Court recognizes the cost of providing retiree health care and life insurance benefits (Clerk of Court's portion of premiums) as an expenditure when paid, which was \$6,758 for the year ended June 30, 2002. Using mortality tables related to single life annuities, the estimated cost to the Clerk of Court over the remaining lives of these retired employees is \$78,536.

**NOTE 8 - LEASES**

The Clerk of Court has immaterial copier leases and does not record items under capital leases as assets and obligations in the accompanying financial statements.

**NOTE 9 - EXCESS FUND BALANCE**

R.S. 13:785 requires that at the expiration of his term of office, the clerk must pay the parish treasurer any balance in the Clerk's Salary Fund which exceed one-half of the revenues of the last year of the term. At June 30, 2000, the following computation was made:

Balance In Salary Fund		N/A
June 30, 2004, Revenue	N/A	
One Half Of Revenue	/2	-0-
		-0-
Amount Due parish treasurer		-0-

**WEST BATON ROUGE PARISH CLERK OF COURT**  
**PORT ALLEN, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FISCAL YEAR ENDED JUNE 30, 2002**

**NOTE 10 - CHANGES IN AGENCY FUND BALANCES**

A summary of changes in agency fund balances follows:

	<u>UNSETTLED DEPOSITS AT BEGINNING OF YEAR</u>	<u>ADDITIONS</u>	<u>REDUCTIONS</u>	<u>UNSETTLED DEPOSITS AT BEGINNING OF YEAR</u>
<b>Agency Funds:</b>				
Advance Deposit	\$1,415,581	\$447,694	\$386,299	\$1,476,976
Registry of Court	362,462	89,384	74,960	376,886
	<u>1,778,043</u>	<u>537,078</u>	<u>461,259</u>	<u>1,853,862</u>

**NOTE 11 - LITIGATION, CLAIMS AND CONTINGENCIES**

At June 30, 2002, the Clerk of Court is defendant in several pending lawsuits filed in the 18th Judicial District Court. Although the suit are still pending, the Clerk of Court denies any liability and is actively defending its position along with its liability insurance carriers. While the ultimate outcome of the above matters cannot be predicted at this time, it is the opinion of management that the disposition of these matters will not have a material adverse effect on the financial position of the Clerk of Court. It is also the opinion of the Clerk of Court's attorney that the Clerk of Court does not have any reasonable estimated or probable liability using the criteria established under F.A.S.B. Statement 5.

No claims or litigation cost were paid out during the year ended June 30, 2002.

**NOTE 12 - RISK MANAGEMENT**

The Clerk of Court is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk of Court has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No settlements were made during the year that exceeded the Clerk of Court's coverages.

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
FISCAL YEAR ENDED JUNE 30, 2002

**NOTE 13 - ON-BEHALF PAYMENTS FOR EXPENDITURES**

Certain operating expenditures of the clerk's office are paid by the West Baton Rouge Parish Council and are not included in the accompanying financial statements.

Approximately \$18,000 in office supplies, official fees and court reporter were provided. The Parish Council also expanded the Clerk's office by a courthouse addition.

SUPPLEMENTAL INFORMATION

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
TRUST AND AGENCY FUNDS  
FISCAL YEAR ENDED JUNE 30, 2002

FIDUCIARY FUNDS - AGENCY FUNDS

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

Registry of Court Fund - The Registry of Court Fund, as provided by Louisiana Revised Statute 13:475, accounts for funds which have been ordered by the court to be held until judgment has been rendered in court litigation. Withdrawals of the funds can be made only upon order of the court.



WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
TRUST AND AGENCY FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2002

	<u>ADVANCE DEPOSIT FUND</u>	<u>REGISTRY OF COURT FUND</u>	<u>TOTAL</u>
<b>ASSETS</b>			
<b><u>CURRENT ASSETS</u></b>			
CASH	\$178,132	\$963	\$179,095
INVESTMENTS-LAMP	1,251,898	375,923	1,627,821
DUE FROM SALARY FUND	46,946	-0-	46,946
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	1,476,976	376,886	1,853,862
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
 <b>LIABILITIES</b>			
<b><u>CURRENT LIABILITIES</u></b>			
UNSETTLED DEPOSITS	\$1,476,976	\$376,886	\$1,853,862
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	1,476,976	376,886	1,853,862
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
TRUST AND AGENCY FUNDS  
COMBINING SCHEDULE OF CHANGES IN UNSETTLED DEPOSITS  
FISCAL YEAR ENDED JUNE 30, 2002

	<u>ADVANCE DEPOSIT FUND</u>	<u>REGISTRY OF COURT FUND</u>	<u>TOTAL</u>
<u>UNSETTLED DEPOSITS, JULY 1</u>	<u>\$1,415,581</u>	<u>\$362,462</u>	<u>\$1,778,043</u>
<u>ADDITIONS</u>			
Deposits:			
Suits and successions	437,608	61,650	499,258
Interest earnings	9,945	27,734	37,679
Other	141	-0-	141
	<u>447,694</u>	<u>89,384</u>	<u>537,078</u>
Total Additions			
<b>TOTAL</b>	<u>1,863,275</u>	<u>451,846</u>	<u>2,315,121</u>
<u>REDUCTIONS</u>			
Clerk's Cost (Transferred to General Fund)	275,864	-0-	275,864
Settlement to litigants	-0-	74,960	74,960
Attorney, Curator & Notary	11,827	-0-	11,827
Witnesses, Appraisers	711	-0-	711
Stenographer's Fees	77	-0-	77
Sheriff's Fees	58,534	-0-	58,534
Judicial Court Fund	32,756	-0-	32,756
Other	6,527	-0-	6,527
	<u>386,296</u>	<u>74,960</u>	<u>461,256</u>
Total Reductions			
<u>UNSETTLED DEPOSITS, JUNE 30</u>	<u>1,476,979</u>	<u>376,886</u>	<u>1,853,862</u>

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

October 29, 2002

West Baton Rouge Parish Clerk of Court  
Port Allen, Louisiana

I have audited the financial statements of the West Baton Rouge Parish Clerk of Court as of and for the year ended June 30, 2002, and have issued my report thereon dated October 29, 2002. I conducted my 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 West Baton Rouge Parish Clerk of Court financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed an instance of non-compliance that are required to be reported under Government Auditing Standards which is described in the accompanying Schedule of Findings.

### **INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing my audit, I considered West Baton Rouge Parish Clerk of Court's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, I 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 related to significant deficiencies in design or operation of the internal control over financial reporting that, in my judgment, could adversely affect the West Baton Rouge Parish Clerk of Court's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. The reportable condition is described in the accompanying schedule of findings.

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. My 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, I believe none of the reportable conditions described in the statement of findings is a material weakness.

This report is intended solely for the information and use of management, others within the organization, and state Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

*Paul P. D'Wille*

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
SCHEDULE OF PRIOR YEARS FINDINGS  
YEAR ENDED JUNE 30, 2001

<u>REF</u> <u>NO.</u>	<u>FISCAL YEAR</u> <u>FINDING</u> <u>INITIALLY</u> <u>OCCURRED</u>	<u>DESCRIPTION OF FINDING</u>	<u>CORRECTIVE</u> <u>ACTION TAKEN</u> <u>(YES, NO, PARTIALLY)</u>	<u>CORRECTIVE</u> <u>ACTION/PARTIAL</u> <u>CORRECTIVE</u> <u>ACTION TAKEN</u>
1.	6-30-91	Excess Funds In The Advance Deposit Fund Has Not Been Transferred To The Salary Fund	Partially	The Excess Cash Cash Has Continued To Decrease.

\* \* \*

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
SCHEDULE OF CURRENT YEARS'S FINDINGS  
YEAR ENDED JUNE 30, 2001

COMPLIANCE & INTERNAL CONTROL

**Reportable Condition:** The Balance Array does not equal the Clerk of Courts' general ledger escrow account because the excess funds in the Advance Deposit Fund have not be transferred to the salary fund.

**Criteria:** The subsidiary Balance Array should tie to the general ledger.

**Cause:** Excess cash has accumulated over many years.

**Effect:** No material effect to the financial statements.

**Recommendation:** I recommend the excess cash be transferred as soon as it can be identified.

\* \* \* \* \*

**Reportable Condition:** Actual expenditures exceeded budgeted expenditures by \$23,360.

**Criteria:** The Louisiana Local Budget Act (LA Rev Stat 39:1301 et al) prohibits deficit spending.

**Cause:** Clerks retirement fund payments were posted to the employee liability account and not expensed, hence the Clerk was not aware of the deficit. However, when the year-end audit adjustments were made to expense the retirement payments, the deficit appeared.

**Effect:** The Clerk exceeded his budget by \$23,360.

**Recommendation:** I recommend that the Clerk advise the bookkeeper to expense the employers portion of the Clerk's Retirement payments.

\* \* \* \* \*

WEST BATON ROUGE PARISH CLERK OF COURT  
PORT ALLEN, LOUISIANA  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
FOR YEAR ENDED JUNE 30, 2002

REF NO.	DESCRIPTION OF FINDING	CORRECTIVE ACTION PLANNED	NAME OF CONTACT PERSON	ANTICIPATED COMPLETION DATE
1.	Excess Cash	The prior Clerk & Now the New Clerk have been working to reduce the Excess Cash.	Mark Graffeo	6-30-03
* * * *				
2.	Budget Deficit	The Clerk Has Instructed The Accountant To Expense The Retirement Payments Monthly.	Mark Graffeo	Immediately