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ANNUAL FINANCIAL REPORT
ORLEANS PARISH CRIMINAL SHERIFF'S OFFICE
NEW ORLEANS, LOUISIANA
FOR THE YEAR ENDED
DECEMBER 31, 1997

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

Release Date JUL 22 1998

Ericksen, Krentel, Canton & LaPorte, L.L
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTAN
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INDEPENDENT AUDITORS' REPORT

Charles C. Foti, Jr.
Orleans Parish Criminal Sheriff
2800 Gravier Street
New Orleans, Louisiana 70119

We have audited the accompanying general purpose financial statements of the Orleans Parish Criminal Sheriff's Office, as of and for the year ended December 31, 1997, as listed in the table of contents. These general purpose financial statements are the responsibility of the Orleans Parish Criminal Sheriff's Office's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, the *Louisiana Governmental Audit Guide*, 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 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Orleans Parish Criminal Sheriff's Office, as of December 31, 1997, and the results of its operations and the cash flows of its proprietary fund types 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 May 30, 1998 on our consideration of the Orleans Parish Criminal Sheriff's Office'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. The combining, individual fund, and individual account group financial statements and schedules 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 the Orleans Parish Criminal Sheriff's Office. 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 financial statements of the Orleans Parish Criminal Sheriff's Office. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects in relation to the general purpose financial statements taken as a whole.

May 30, 1998

Ericksen, Krentel, Canton & LaPorte LLP

Certified Public Accountants

GENERAL PURPOSE FINANCIAL STATEMENTS

(COMBINED STATEMENTS - OVERVIEW)

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1997

	Governmental Funds	
	General Fund	Debt Service
ASSETS:		
Cash and cash equivalents	$ 712,995	$ 210,127
Receivables:		
Inmate housing	9,239,470	-
Grants	161,475	-
Ad valorem taxes	-	106,713
Interest receivable	40,115	22,634
Interfund receivables	33,298	-
Other receivables	1,513,815	-
Prepaid pension contributions	950,099	-
Prepaid expenses	462,500	158,077
Inventory	-	-
Fixed assets (Note 5)	-	-
Investments (Note 4)	8,246,259	2,491,839
Loans outstanding	-	-
Deposits	-	-
Other debits:		
Amount available in debt service funds	-	-
Amount to be provided for retirement of general long-term debt	-	-
Total assets and other debits	$ 21,360,026	$ 2,989,390
LIABILITIES:		
Accounts payable	$ 2,181,953	$ -
Interfund payables	165,146	-
Claims and judgments	-	-
Accrued annual and sick leave (Note 1)	926,402	-
Other liabilities	-	-
Prepaid pension contributions	-	-
General obligation bonds	-	-
Total liabilities	3,273,501	-
FUND EQUITY:		
Investment in general fixed assets	-	-
Retained earnings:		
Reserved for claims and judgments	-	-
Reserved for inventory	-	-
Unreserved	-	-
Fund balances:		
Reserved for encumbrances (Note 1)	2,097,756	-
Reserved for credit union	-	-
Reserved for employee pension	950,099	-
Reserved for debt service	-	2,989,390
Reserved for prepaid expenses	462,500	-
Other reserves (Note 1)	-	-
Unreserved:		
Designated for defined benefit pension plan	-	-
Designated for capital improvements	14,576,170	-
Undesignated	-	-
Total fund equity	18,086,525	2,989,390
Total liabilities and fund equity	$ 21,360,026	$ 2,989,390

See accompanying NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

Exhibit "A"

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 1997

Proprietary Funds		Fiduciary Funds	Account Groups		Totals
Enterprise	Internal Service	Trust & Agency	General Fixed Assets	General Long-Term Debt	Memorandum Only
$ 58,183	$ 13,092	$ 737,436	$ -	$ -	$ 1,731,833
-	-	-	-	-	9,239,470
-	-	-	-	-	161,475
323	-	-	-	-	107,036
-	179,413	570,989	-	-	813,151
115	30,514	134,518	-	-	198,445
-	-	-	-	-	1,513,815
-	-	-	-	-	950,099
-	-	-	-	-	620,577
55,940	-	-	-	-	55,940
-	-	-	68,496,871	-	68,496,871
236,670	16,074,353	39,942,823	-	-	66,991,944
-	-	1,633,650	-	-	1,633,650
-	-	18,143	-	-	18,143
-	-	-	-	2,989,390	2,989,390
-	-	-	-	26,575,610	26,575,610
$ 351,231	$ 16,297,372	$ 43,037,559	$ 68,496,871	$ 29,565,000	$182,097,449
$ -	$ -	$ -	$ -	$ -	$ 2,181,953
33,199	-	100	-	-	198,445
-	12,950,000	-	-	-	12,950,000
-	-	-	-	-	926,402
-	-	2,445,010	-	-	2,445,010
-	-	950,099	-	-	950,099
-	-	-	-	29,565,000	29,565,000
33,199	12,950,000	3,395,209	-	29,565,000	49,216,909
-	-	-	68,496,871	-	68,496,871
-	3,304,399	-	-	-	3,304,399
55,940	-	-	-	-	55,940
262,092	42,973	-	-	-	305,065
-	-	-	-	-	2,097,756
-	-	1,094,064	-	-	1,094,064
-	-	23,054,355	-	-	24,004,454
-	-	-	-	-	2,989,390
-	-	-	-	-	462,500
-	-	636,289	-	-	636,289
-	-	7,166,013	-	-	7,166,013
-	-	-	-	-	14,576,170
-	-	7,691,629	-	-	7,691,629
318,032	3,347,372	39,642,350	68,496,871	-	132,880,540
$ 351,231	$ 16,297,372	$ 43,037,559	$ 68,496,871	$ 29,565,000	$182,097,449

See accompanying NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS FOR THE YEAR ENDED DECEMBER 31, 1997

	Governmental Fund Types General Fund
REVENUES:	
Inmate housing:	$ 28,212,312
City charges	21,062,111
Department of corrections charges	6,685,263
Federal charges	778,373
Interest income	1,137,196
On-behalf payments	22,395
Dining and vending income (net)	1,835,580
Other income	1,220,885
State pay	707,115
Federal grants	51,117
Restitution/administration	216,567
Release processing fees	-
Ad valorem tax revenue	-
Reimbursed construction costs	
Total revenues	61,928,914
EXPENDITURES:	
Central services	4,075,502
Court services	2,324,345
Security services	18,827,380
Administrative services	1,588,401
Records and booking	3,295,148
Inmate services	15,522,744
Grants and special programs	929,231
Miscellaneous	-
Plant and maintenance	15,455,668
Debt retirement	-
Interest payments	-
Capital outlays	-
Total expenditures	62,018,419
Excess (deficit) of revenues over expenditures	(89,505)
OTHER FINANCING SOURCES (USES):	
Proceeds of refunding debt	-
Payment to refunded bond escrow agent	-
Residual equity transfers in (out)	(19,311)
Operating transfers in	580,184
Operating transfers (out)	(1,410,998)
Disaster assistance in excess of flood expenditures	854,513
Proceeds from sale of assets	107,283
Total other financing sources (uses)	111,671
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	22,166
FUND BALANCE, BEGINNING	17,556,708
Increase in reserve for prepaid pension contributions due to current year forfeitures	507,651
FUND BALANCE, ENDING	$ 18,086,525

See accompanying NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
AND EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1997

Governmental Fund Types		Fiduciary Fund Types	Totals
Capital Projects	Debt Service	Expendable Trust	Memorandum Only
$ -	$ -	$ -	$ 28,212,312
-	-	-	21,062,111
-	-	-	6,685,263
-	374,051	370,872	1,523,296
-	-	-	1,137,196
-	-	-	22,395
-	-	52,439	1,888,019
-	-	-	1,220,885
-	-	-	707,115
-	-	-	51,117
-	-	-	216,567
-	3,953,240	-	3,953,240
2,886,350	-	-	2,886,350
2,886,350	4,327,291	423,311	69,565,866
-	-	-	4,075,502
-	-	-	2,324,345
-	-	-	18,827,380
-	-	-	1,588,401
-	-	-	3,295,148
-	-	-	15,522,744
-	-	-	929,231
-	313,930	165,563	479,493
-	-	-	15,455,668
-	1,240,000	-	1,240,000
-	2,035,292	-	2,035,292
5,890,758	-	-	5,890,758
5,890,758	3,589,222	165,563	71,663,962
(3,004,408)	738,069	257,748	(2,098,096)
-	25,255,000	-	25,255,000
-	(24,885,014)	-	(24,885,014)
-	-	19,311	-
1,403,926	-	-	1,984,110
-	-	-	(1,410,998)
-	-	-	854,513
-	-	-	107,283
1,403,926	369,986	19,311	1,904,894
(1,600,482)	1,108,055	277,059	(193,202)
1,600,482	1,881,335	1,458,447	22,496,972
-	-	-	507,651
$ -	$ 2,989,390	$ 1,735,506	$ 22,811,421

See accompanying NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GOVERNMENTAL FUND TYPES FOR THE YEAR ENDED DECEMBER 31, 1997

	General Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Inmate housing:			
City charges	$ 22,530,000	$ 28,212,312	$ 5,682,312
Department of corrections charges	18,429,000	21,062,111	2,633,111
Federal charges	5,418,400	6,685,263	1,266,863
Interest income	634,000	778,373	144,373
On-behalf payments	1,412,445	1,137,196	(275,249)
Dining and vending income (net)	20,000	22,395	2,395
Other	844,000	1,835,580	991,580
State pay	955,000	1,220,885	265,885
Federal grants	844,000	707,115	(136,885)
Restitution/administration	56,300	51,117	(5,183)
Release processing fees	151,000	216,567	65,567
Ad valorem tax revenue	-	-	-
Total revenues	51,294,145	61,928,914	10,634,769
EXPENDITURES:			
Central services	3,026,511	4,075,502	(1,048,991)
Court services	1,601,940	2,324,345	(722,405)
Security services	18,126,009	18,827,380	(701,371)
Administrative services	1,792,800	1,588,401	204,399
Records and booking	2,681,038	3,295,148	(614,110)
Inmate services	13,250,176	15,522,744	(2,272,568)
Grants and special programs	415,686	929,231	(513,545)
Miscellaneous	-	-	-
Plant and maintenance	11,141,985	15,455,668	(4,313,683)
Debt retirement	-	-	-
Interest payments	-	-	-
Total expenditures	52,036,145	62,018,419	(9,982,274)
Excess (deficiency) of revenues over expenditures	(742,000)	(89,505)	652,495
OTHER FINANCING SOURCES (USES):			
Proceeds of refunding debt	-	-	-
Payment to refunded bond escrow agent	-	-	-
Residual equity transfer	-	(19,311)	(19,311)
Operating transfers in	742,000	580,184	(161,816)
Operating transfers (out)	-	(1,410,998)	(1,410,998)
Disaster assistance in excess of flood expenditures	-	854,513	854,513
Proceeds from sale of assets	-	107,283	107,283
Total other financing sources (uses)	742,000	111,671	(630,329)
Excess of revenues and other financing sources over expenditures and other financing (uses)	$ -	22,166	$ 22,166
FUND BALANCE, BEGINNING		17,556,708	
Increase in reserve for prepaid pension contributions due to current year forfeitures		507,651	
FUND BALANCE, ENDING		$ 18,086,525	

See accompanying NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1997

Debt Service Fund		
Budget	Actual	Variance Favorable (Unfavorable)
$ -	$ -	$ -
-	-	-
-	-	-
128,047	374,051	246,004
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
3,148,445	3,953,240	804,795
3,276,492	4,327,291	1,050,799
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
1,200	313,930	(312,730)
-	-	-
1,240,000	1,240,000	-
2,035,292	2,035,292	-
3,276,492	3,589,222	(312,730)
-	738,069	738,069
-	25,255,000	25,255,000
-	(24,885,014)	(24,885,014)
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	369,986	369,986
$ -	1,108,055	$ 1,108,055
	1,881,335	
	-	
	$ 2,989,390	

See accompanying NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS/FUND BALANCES - ALL PROPRIETARY FUND TYPES AND PENSION TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1997

	Proprietary Fund Types		Fiduciary Fund Types	Totals
	Enterprise	Internal Service	Pension Trust	Memorandum Only
REVENUES:				
Commissary (net)	$ 583,529	$ -	$ -	$ 583,529
Fines and costs (net)	-	14,408	-	14,408
Interest income	14,596	885,046	2,224,607	3,124,249
Insurance revenues	-	3,605,944	-	3,605,944
Pension contributions	-	-	2,272,315	2,272,315
Realized gain (loss) on investment sales	-	(19,578)	82	(19,496)
Unrealized gain on investments	-	-	152,749	152,749
Community services (net)	(1,029)	-	-	(1,029)
Ft. McComb Marina	14,800	-	-	14,800
Total revenues	611,896	4,485,820	4,649,753	9,747,469
EXPENSES:				
Claims and judgments	-	4,005,944	-	4,005,944
Trustee fees	-	32,550	136,529	169,079
Pension payments	-	-	2,292,311	2,292,311
Miscellaneous	33,198	2,565	-	35,763
Total expenses	33,198	4,041,059	2,428,840	6,503,097
Net income before other financing (uses)	578,698	444,761	2,220,913	3,244,372
OTHER FINANCING (USES):				
Operating transfers in	7,074	-	-	7,074
Operating transfers out	(580,184)	-	-	(580,184)
Total other financing (uses)	(573,110)	-	-	(573,110)
Net income	5,588	444,761	2,220,913	2,671,262
RETAINED EARNINGS/FUND BALANCE, BEGINNING	312,444	2,902,611	35,685,931	38,900,986
RETAINED EARNINGS/FUND BALANCE, ENDING	$ 318,032	$ 3,347,372	$ 37,906,844	$ 41,572,248

See accompanying NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

COMBINED STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 1997

	Proprietary Fund Types		Totals
	Enterprise	Internal Service	Memorandum Only
CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES:			
Net income	$ 5,588	$ 444,761	$ 450,349
Adjustments to reconcile net income to net cash flows from operating activities:			
Loss on investment sales	-	19,578	19,578
Changes in assets and liabilities:			
Decrease in rent receivable	600	-	600
(Increase)/decrease in interest receivable	(323)	29,939	29,616
Increase in inventory	(3,345)	-	(3,345)
Increase/(decrease) in interfund payables	26,307	(10,777)	15,530
Increase in claims and judgments	-	400,000	400,000
Net cash from operating activities	28,827	883,501	912,328
CASH FLOWS FROM (USED FOR) INVESTING ACTIVITIES:			
Proceeds from sale of investments	432,962	1,758,127	2,191,089
Purchase of investments	(459,552)	(2,645,814)	(3,105,366)
Net cash (used for) investing activities	(26,590)	(887,687)	(914,277)
Net increase (decrease) in cash and cash equivalents	2,237	(4,186)	(1,949)
Cash and cash equivalents, beginning of year	55,946	17,278	73,224
Cash and cash equivalents, end of year	$ 58,183	$ 13,092	$ 71,275

See accompanying NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
DECEMBER 31, 1997

(1) NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

History and Organization

The Orleans Parish Criminal Sheriff's Office (OPCSO) was created by the Louisiana Constitution of 1921, Article 7, Section 89. The Criminal Sheriff is elected by qualified electors every four years. The Criminal Sheriff is in charge of the direction and supervision of all deputy criminal sheriffs who possess all of the powers and authority granted by law to the Sheriff.

Among the powers of the Criminal Sheriff are the keeping of the jails, the preservation of the peace and the apprehension of disturbers of the peace and other public offenders. The Criminal Sheriff is the executive officer of the Criminal District Courts and has the authority to serve citations, summons, subpoenas, notices and other process, and shall execute writs, mandates, orders, and judgments directed to him by the Criminal District Courts.

On July 28, 1989, the Orleans Parish Law Enforcement District (OPLED) was created by Act No. 20 of the 1989 Second Extraordinary Session of the Louisiana Legislature, which Act amended Chapter 26 of Title 33 of the Louisiana Revised Statutes. The Criminal Sheriff of the parish of Orleans is the Chief Ex-Officio Executive Officer of the District. The purpose of the District is to provide financing for the Criminal Sheriff through the levying and collection of tax millages. The proceeds of these tax revenues may be used to fund the operations of the Criminal Sheriff's Office or fund the repayment of debt.

Reporting Entity

The Orleans Parish Criminal Sheriff's Office is a "primary government" as defined in GASB pronouncements since the Office is a government, created by State statute, that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments.

In evaluating how to define the government, 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 criteria set forth in generally accepted accounting principles. The basic, but not the only, criteria for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financial relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, the following component units are included within the reporting entity:

1) Orleans Parish Law Enforcement District
2) Orleans Parish Criminal Sheriff's Office Credit Union

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1997

(1) NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Separate financial reports for these component units containing more detailed financial information are available from the Orleans Parish Criminal Sheriff's Office.

Fund Accounting

The accounts of the Orleans Parish Criminal Sheriff's Office are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures, or expenses as appropriate. The Orleans Parish Criminal Sheriff's Office's activities are accounted for in individual funds based upon the specific revenue source and the means by which spending activities are controlled. The following funds and account groups are used by OPCSO:

Governmental Fund Types:

General Fund

The General Fund is the general operating fund of the OPCSO. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

Capital Projects Fund

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities which are not financed by Proprietary and Trust Funds.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt including principal, interest and related costs of the OPLED.

The District's ad valorem property tax is levied each January 1, by the City of New Orleans, on the assessed value for all real property located in the City. The City collects the property tax and remits amounts as collected to the OPLED.

The OPLED debt service fund receives taxes that have been levied on real property in Orleans Parish, Louisiana. The taxes are collected by the City of New Orleans and then remitted to OPLED. The taxes are levied on January 1 of the assessment year based upon the assessed value as of the prior August 15. Taxes are due and payable on January 1, the date on which an enforceable lien attaches on the property, and are delinquent on February 1.

Proprietary Fund Types:

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods or services on a continuing basis be financed or recovered primarily through user charges.

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1997

(1) NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Internal Service Funds

These funds are used to account for services provided by one governmental department to another on a user charge basis.

Fiduciary Fund Types:

Trust and Agency Funds

Trust and agency funds are used to account for assets held by the OPCSO in a trustee capacity or as an agent for individuals, organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

General Fixed Assets and General Long-Term Debt Account Groups:

General Fixed Assets

The General Fixed Assets Account Group is used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date of donation. No depreciation is recorded on general fixed assets.

General Long-Term Debt

The General Long-Term Debt Account Group is used to account for long-term liabilities to be financed from government funds, and for those long-term liabilities to be liquidated with resources to be provided in future periods.

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.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

In accordance with GASB Statement No. 20, *"Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting"*, it is policy of the Office's proprietary funds to apply all applicable GASB pronouncements, as well as all Financial Accounting Standards Board (FASB) statements, interpretations, accounting principles board opinions and accounting research bulletins of the Committee on Accounting Procedures issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1997

(1) NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

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. 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.

The accrual basis of accounting is utilized by proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Budgetary Data

The Office is required by state law to adopt annual budgets for the General Fund and Debt Service Fund. Each budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles.

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

1. Prior to December 1 the Office prepares a budget for the next succeeding fiscal year beginning January 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted, after proper official public notification, to obtain taxpayer comment.
3. Prior to December 15 the budget is legally enacted through passage of a resolution by the Sheriff.

Cash and Certificates of Deposit

The Office is authorized under state law to deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, and the laws of the United States. The Office may also invest in time certificates of deposit with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Under state laws, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of such pledged securities and federal deposit insurance must equal or exceed the amount on deposit with the fiscal agent.

At December 31, 1997, the carrying amount of the Office's deposits was $1,731,833 and the bank balance was $4,823,147. Of the bank balances, $4,562,080 required deposit insurance or collateralization, of which $400,000 was covered by federal depository insurance and $4,162,080 was covered by collateral held by the pledging institutions' agent in the Office's name.

Investments

The Office is authorized under state law to invest in United States bonds, treasury notes, and other federally insured investments.

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1997

(1) NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (Continued)

Investments are stated at the lower of cost or fair market value except for investments in the pension trust funds which are reported at fair market value.

Inventories

Inventory of merchandise in the proprietary fund is valued at cost (first-in, first-out).

Fixed Assets

During 1983, the OPCSO established a general fixed asset account group for reporting purposes. Generally accepted accounting principles require that the assets making up such an account group be valued at historical cost or estimated historical cost. Due to the difficulty of obtaining accurate historical cost data for many assets or of estimating the historical costs of such assets, the Office chose to value those assets where cost data was not available at estimated current values.

The basis used in estimating current values for financial reporting purposes is estimated current replacement cost less a factor relating to the remaining useful life of the asset. This method was used for all assets without historical cost data, except for automobiles, which were valued at current published loan values.

All fixed assets acquired since 1983 are valued at historical cost.

Accrued Annual and Sick Leave

Vacation (annual leave) and sick pay (sick leave) are accrued at year end according to current wage rates and leave policy. At December 31, 1997, employees of the Orleans Parish Criminal Sheriff's Office had accumulated and vested $926,402 in leave privileges. This amount has been recorded as a current liability in the General Fund as it is expected to be paid with resources currently available.

Reserves

Reserve for Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

Other Reserves

Enterprise Fund

In compliance with Section 33:1527 of the Revised Louisiana Statutes, the retained earnings contained in the Enterprise Funds is restricted and therefore reserved for use as follows:..."Such funds should be expended solely for the operations, security and maintenance of the office of the Criminal Sheriff of the Parish of Orleans and to assist in the rehabilitation of the inmates of the Orleans Parish Prison."

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1997

(1) NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Reserves (Continued)

Elderly Victim Fund

All funds of the Elderly Victim program have been reserved for payment of services to those individuals who qualify to receive assistance for loss, damages or injuries suffered from criminal actions.

Total Columns on Combined Statements - Overview

Total columns on the combined 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, results of operations, or changes in financial position 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.

Statement of Cash Flows

For the purposes of the Statement of Cash Flows, Funds consider demand deposits, certificates of deposit and all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Use of Estimates

The Office uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported revenues and expenditures. Actual results could vary from the estimates that were used.

(2) RECEIVABLES

The Office is authorized under state law to house inmates for Municipal, State, and Federal agencies. In accordance with contracts between the Office and these agencies, the Office bills the agencies a per diem amount for the housing of inmates. Receivables due from these agencies, for the housing of inmates, at December 31, 1997 are as follows:

City of New Orleans	$ 5,614,616
State of Louisiana	2,116,568
Federal Agencies	1,508,286
	$ 9,239,470

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1997

(3) INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables at December 31, 1997 are as follows:

	Interfund Receivables	Interfund Payables
General Fund	$ 33,298	$ 165,146
Ft. McComb Marina Enterprise Fund	-	33,199
Community Service Enterprise Fund	115	-
Fines and Fees Internal Service Fund	30,514	-
Criminal Justice Agency Fund	-	100
Property Room Agency Fund	98,976	-
Elderly Victim Expendable Trust Fund	35,542	-
	$ 198,445	$ 198,445

(4) INVESTMENTS

Investments of Orleans Parish Criminal Sheriff at December 31, 1997 are as follows:

	Carrying Amount	Market Value	Fund
La. Asset Management Pool:			
Held by OPCSO's agent in OPCSO's name	$ 122,212	$ 122,212	General
Total La. Asset Management Pool	$ 122,212	$ 122,212	
U.S. Treasury Bills:			
Held by OPCSO's Credit Union's agent in Credit Union's name	$ 1,073,054	$ 1,085,264	Expendable Trust
Total U.S. Treasury Bills	$ 1,073,054	$ 1,085,264	
U.S. Treasury Notes:			
Held by OPCSO's Employee's Retirement Plan agent's trust department in the Plan's name	$27,260,025	$27,260,025	Pension Trust
Held by OPCSO's agent in OPCSO's name	13,813,777	13,833,497	Internal Service
Total U.S. Treasury Notes	$41,073,802	$41,093,522	
Fidelity U.S. Treasury Portfolio II Fund:			
Held by OPCSO's Employee's Retirement Plan agent's trust department in the Plan's name	$ 2,111,056	$ 2,111,056	Pension Trust
Held by OPCSO's agent in OPCSO's name	753,365	753,365	Internal Service
Total Fidelity U.S. Treasury Portfolio Fund	$ 2,864,421	$ 2,864,421	

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1997

(4) INVESTMENTS (CONTINUED)

	Carrying Amount	Market Value	Fund
Federal Home Loan Bank Discount Notes:			
Held by OPCSO's agent in OPCSO's name	$ 236,670	$ 235,778	Enterprises Fund
Held by OPCSO's agent in OPCSO's name	2,773,219	2,765,227	General Fund
Held by OPCSO's agent in OPCSO's name	598,693	596,800	Expendable Trust
Held by OPLED's agent in OPLED's name	2,491,839	2,511,403	Debt Service
Total Federal Home Loan Bank Discount Notes	$ 6,100,421	$ 6,109,208	
Federal Home Loan Bank Notes:			
Held by OPCSO's agent in OPCSO's name	$ 3,503,290	$ 3,503,290	Pension Trust
Held by OPCSO's agent in OPCSO's name	1,001,250	1,000,940	Internal Service
Held by OPCSO's agent in OPCSO's name	4,986,465	4,984,450	General Fund
Total Federal Home Loan Bank Notes	$ 9,491,005	$ 9,488,680	
State and Municipal Bonds:			
Held by OPCSO's Employee's Retirement Plan agent's trust department in the Plan's name	$ 125,614	$ 125,614	Pension Trust
Total State and Municipal Bonds	$ 125,614	$ 125,614	
Federal National Mortgage Discount Notes:			
Held by OPLED's agent in OPLED's name	$ 364,364	$ 364,364	General Service
Total Federal National Mortgage Discount Notes	$ 364,364	$ 364,364	
FNMA Pass-thru Issues:			
Held by OPCSO Employee's Retirement Plan agent's trust department in the Plan's name	$ 1,243,075	$ 1,243,075	Pension Trust
Total FNMA Pass-thru Issues	$ 1,243,075	$ 1,243,075	

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1997

(4) INVESTMENTS (CONTINUED)

	Carrying Amount	Market Value	Fund
FNMA Notes:			
Held by OPCSO's Employee's Retirement Plan agent's trust department in the Plan's name	$ 2,272,198	$ 2,272,198	Pension Trust
Total FNMA Notes	$ 2,272,198	$ 2,272,198	
Other Pass-thru Issues:			
Held by OPCSO Employee's Retirement Plan agent's trust department in the Plan's name	$ 1,755,818	$ 1,755,819	Pension Trust
Held by OPCSO's agent in OPCSO's name	505,960	503,597	Internal Service
Total Other Pass-thru Issues	$ 2,261,778	$ 2,259,416	
Total investments	$66,991,944	$67,027,974	

The La. Asset Management Pool is a state sponsored external investment pool.

(5) CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	December 31, 1996	Additions	Removals	December 31, 1997
Buildings and improvements	$ 48,527,509	$ 631,946	$ -	$ 49,159,455
Maintenance Equipment	2,617,272	679,069	-	3,296,341
Office Furniture and Equipment	5,659,614	756,975	-	6,416,589
Vehicles	3,164,976	1,104,941	(452,287)	3,817,630
Construction in progress	107,650	5,699,206	-	5,806,856
Total general fixed assets	$ 60,077,021	$ 8,872,137	$ (452,287)	$ 68,496,871

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1997

(6) GENERAL LONG-TERM DEBT

A summary of general long-term debt is as follows:

Description	Balance at December 31, 1996	Issued	Retired	Refunded	Balance at December 31, 1997
General Obligation Bonds: $34,000,000 originally issued with interest rate ranging from 6.9% to 10.0%, maturing May 1, 1998 through May 1, 2000	$28,975,000	$ -	$1,240,000	$23,425,000	$ 4,310,000
General Obligation Refunding Bonds: $25,255,000 originally issued with interest rate ranging from 3.85% to 4.95%, maturing May 1, 1998 through May 1, 2010	-	25,255,000	-	-	25,255,000
	$28,975,000	$25,255,000	$1,240,000	$23,425,000	$29,565,000

Following is a summary of bond principal and interest maturities:

Year Ending	Principal	Interest	Total
1998	$ 1,625,000	$ 1,409,245	$ 3,034,245
1999	1,740,000	1,295,991	3,035,991
2000	1,855,000	1,180,025	3,035,025
2001	1,960,000	1,077,918	3,037,918
2002	2,050,000	991,780	3,041,780
Thereafter	20,335,000	4,113,355	24,448,355
Outstanding principal	$ 29,565,000	$ 10,068,314	$ 39,633,314

During 1997, OPCSO entered into a partial advance refunding transaction whereby it issued General Obligation Refunding Bonds to effect early retirement of certain General Obligation Bonds. The net proceeds of these refunding bonds were placed in an irrevocable escrow account and invested in U. S. Treasury obligations that together with interest earned thereon, will provide amounts sufficient for payment of all principal and interest on the refunded bonds. Accordingly, the escrow accounts and the refundable bonds are no longer included on OPCSO's combined balance sheet. This advance refunding was undertaken to reduce total debt service payments over the next thirteen years by $2,961,955 and to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of $2,205,797.

General obligation bonds of OPCSO are reflected in the General Long-Term Debt Account Group, and current requirements for principal and interest expenditures are accounted for in the Debt Service Fund. Of the general obligation bonds authorized by the voters, none remain unissued.

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1997

(7) FUND BALANCE DESIGNATIONS

(a) Designated for Past Service Pension Costs

For the years 1981 through 1997, the Orleans Parish Criminal Sheriff's Office has maintained a defined contribution pension plan. Prior to 1981 the Office had no retirement plan in effect. The Sheriff's Office has established a trust to fund a defined benefit plan to provide benefits comparable to the plans covering city and state employees.

Effective July 1, 1997, the Office began participating in a cost-sharing multiple-employer pension plan. The actuarially determined benefits due to the plan for past service costs at December 31, 1997 was $7,166,013.

(b) Designated for Capital Improvements

Due to prison population increases and the deterioration of aged jail facilities, the Orleans Parish Criminal Sheriff's Office anticipates undertaking various rehabilitation and construction projects which will not be financed with funds appropriated by the City of New Orleans. The Office has designated fund balance amounts from the following funds to ensure that such improvements will not be neglected because of a lack of available financing from the City.

	Capital Expenditure Fund Balance Designation
General Fund	$ 14,576,170

(8) INMATE FOOD EXPENSES

The Office has participated in the United States Department of Agriculture Food Distribution Program for the year ended December 31, 1997. The program provides food commodities to the Office to use in the preparation of meals for inmates of the Orleans Parish Prison. The value of the donated commodities was $11,493 for the year ended December 31, 1997. These amounts are not listed as revenues or expenditures of the General Fund.

(9) COMPENSATION OF SHERIFF

In accordance with Louisiana Revised Statute 33:1421, the Sheriff of Orleans Parish was paid the following compensation for maintaining the prison:

	1997
Salary	$ 90,960
Expense allowance	9,096

(10) LEASES

The Office has various operating leases for rental of equipment. The leases are on a month to month basis and the lease payments for 1997 included in expenditures in this financial statement are $56,034.

(11) EXPENDITURES OF THE SHERIFF'S OFFICE PAID BY THE CITY OF NEW ORLEANS

The accompanying general purpose financial statements do not include certain portions of the Office's expenses paid directly by the City of New Orleans. These expenses include building space, utilities, office supplies, gasoline and certain major repairs among others.

Hospitalization premiums paid by the City of New Orleans, in the amount of $1,137,196 on behalf of the Office are included in the accompanying financial statements as revenues and expenditures in the General Fund.

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1997

(12) CREDIT UNION

On June 1, 1983, a credit union was established for the benefit of the employees of Orleans Parish Criminal Sheriff's Office. As of year end, all employees could establish a savings account with the credit union.

(13) PENSION PLANS

The Orleans Parish Criminal Sheriff's Office provides pension benefits for substantially all of its full-time employees through a defined contribution pension plan and a defined benefit pension plan. All eligible employees hired before July 1, 1997 were given the option to remain in the defined contribution pension plan or participate in a new defined benefit plan. All eligible employees hired on July 1, 1997 or after, are required to participate in the new defined benefit plan.

(a) Defined Contribution Pension Plan

In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate at their date of employment as long as they have attained the age of 18. The Plan requires that both the employees and the Office contribute to the plan.

The Office contributed 9% of each participating employee's wages on a monthly basis. Participating employees were required to contribute 9% of their wages. Employees may also make additional voluntary contributions to the Plan. Such additional amounts are not matched wholly or in part by the Office. The maximum contribution an employee may make, which consists of both required and voluntary amounts, is 19% of the employee's wages. Employees become partially vested in the Office's contributions (and earnings allocated to the employee's account) after completing three years of service. The vesting percentage increases annually until the employee completes seven years of service at which time they become fully vested. The unvested Office contributions and unvested interest earned by employees who separate from service of the Office are available to the Office to reduce future contribution requirements.

The Office's total payroll for the year ended December 31, 1997 was $23,348,508. The Office's contributions were calculated using the base salary amounts of $17,016,133. The Office made contributions in the amounts of $1,248,513. Forfeitures of $507,650 in 1997 were credited to the benefit of the employer resulting in a net employer contribution of $740,863 for the year ended December 31, 1997. Accumulated forfeitures of $950,099 through 1997 are available to offset future contributions. The employees contributed through payroll withholdings a total of $1,531,452 for the year ended December 31, 1997, which represents both the required and additional voluntary contributions.

(b) Defined Benefit Pension Plan

Effective July 1, 1997, the Office contributes to the Sheriff's Pension & Relief Fund (the "System"), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). The System is a statewide public retirement system for the benefit of sheriffs and their staffs, which is administered and controlled by a separate board of trustees. The System was established and provided for within LRS 11:2171 of the Louisiana Revised Statutes.

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1997

(13) PENSION PLANS (CONTINUED)

(b) Defined Benefit Pension Plan (Continued)

Contributions of participating sheriffs, together with shared local and state revenues, are pooled within the System to fund accrued benefits. Both employer and employee contribution rates are approved by the Louisiana Legislature. The System provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries.

The System 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 & Relief Fund, P.O. Box 3163, Monroe, Louisiana 71210-3163 or by calling (318) 362-3188.

In addition to ad valorem and insurance premium taxes that are remitted to the System (which constitute the major funding of the System), plan members are required by state statute to contribute 8.7 percent of gross salary and the Sheriff is required to contribute at an actuarially determined rate. The current employer's rate is 5 percent of covered payroll. The contributions for the year ended December 31, 1997 were as follows:

	Amount	Percent of Covered Payroll
Employee	$552,655	8.70%
Employer	$317,618	5.00%

(14) CONTINGENCIES

The Office participates in the Louisiana Sheriff's Risk Management Program (a public entity risk pool). Under this program, general/professional liability cases are covered by insurance at the rate of $100,000 per claim, with an aggregate stop-loss in the amount of the total premium paid by the Office or $300,000 for each loss year. Once the aggregate loss is met, the Office is completely self-insured on general/professional liability cases.

Due to instances where the Orleans Parish Criminal Sheriff's Office is unable to obtain commercial insurance at reasonable rates, it manages its risks internally and sets aside assets for claim settlements in its internal service fund, Self Insurance Fund. The fund services claims for various risks of loss to which the Office is exposed, including general liability, property and casualty, and environmental.

Self Insurance Fund liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

The Orleans Parish Criminal Sheriff's Office is a defendant in various lawsuits pertaining to material matters. As of December 31, 1997, on the advise of legal counsel, $12,950,000 has been accrued in the self insurance fund to fund outstanding claims. Changes in the balances of claims liabilities during the fiscal year 1997 were as follows:

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 1997

(14) CONTINGENCIES (CONTINUED)

Fiscal Year	Liability at Beginning	Current-Year Claims and Changes in Estimates	Claim Payments	Liability at End
1997	12,550,000	4,005,944	(3,605,944)	12,950,000

At December 31, 1997, Self Insurance Fund held $16,254,399 in assets designated for payment of these claims.

(15) ECONOMIC DEPENDENCY

The OPCSO derives a material part of its' revenues from per diem charges for the housing of federal, state, and municipal prisoners. These revenues are received from the City of New Orleans, The State of Louisiana Department of Corrections and various Federal agencies. For the year ended December 31, 1997, revenues from these sources totaled $55,959,686.

(16) SEGMENT INFORMATION - ENTERPRISE FUNDS

The OPCSO maintains three enterprise funds. The Commissary sells foodstuffs and other personal items to inmates. Fort McComb Marina is operated under contract with the State of Louisiana. Revenues are derived from the rental of boat slips. The Community Service Fund derives its revenues from sales of arts and crafts. Segment information as of and for the year ended December 31, 1997 is as follows:

	Commissary	Fort McComb Marina	Community Service Fund	Total
Operating income (loss)	583,529	(3,896)	(935)	578,698
Operating transfers in (out)	(580,184)	-	7,074	(573,110)
Net income (loss)	3,345	(3,896)	6,139	5,588
Net working capital	55,940	260,236	1,856	318,032
Total assets	55,940	293,435	1,856	351,231
Total equity	55,940	260,236	1,856	318,032

(17) EXTRAORDINARY ITEM

During 1997, the Sheriff's Office was allocated additional disaster assistance in the amount of $854,513 from the Federal Emergency Management Agency (FEMA) for repair and clean-up expenditures as the result of damages to several of its facilities from the May 1995 flood.

FINANCIAL STATEMENTS

OF INDIVIDUAL FUNDS

COMBINING BALANCE SHEET
PROPRIETARY FUND TYPE - ENTERPRISE FUNDS
DECEMBER 31, 1997

	Commissary	Ft. McComb Marina	Community Service Fund	Totals Memorandum Only
ASSETS:				
Cash and cash equivalents	$ -	$ 56,442	$ 1,741	$ 58,183
Interest receivable	-	323	-	323
Interfund receivables	-	-	115	115
Investments	-	236,670	-	236,670
Inventory	55,940	-	-	55,940
Total assets	$ 55,940	$ 293,435	$ 1,856	$ 351,231
LIABILITIES:				
Interfund payables	$ -	$ 33,199	$ -	$ 33,199
Total liabilities	-	33,199	-	33,199
FUND EQUITY:				
Retained earnings:				
Reserved for inventory	55,940	-	-	55,940
Unreserved	-	260,236	1,856	262,092
Total retained earnings	55,940	260,236	1,856	318,032
Total fund equity	55,940	260,236	1,856	318,032
Total liabilities and fund equity	$ 55,940	$ 293,435	$ 1,856	$ 351,231

See Auditors' Report

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS PROPRIETARY FUND TYPE - ENTERPRISE FUNDS FOR THE YEAR ENDED DECEMBER 31, 1997

	Commissary	Ft. McComb Marina	Community Service Fund	Totals Memorandum Only
REVENUES:				
Sales	$ 2,032,616	$ -	$ 2,094	$ 2,034,710
Less: cost of goods sold	(1,449,087)	-	(3,123)	(1,452,210)
Gross profit (loss)	583,529	-	(1,029)	582,500
Rents	-	14,800	-	14,800
Interest	-	14,502	94	14,596
Total revenue	583,529	29,302	(935)	611,896
EXPENSES:				
Miscellaneous	-	33,198	-	33,198
Total expenses	-	33,198	-	33,198
Net income before other financing (uses)	583,529	(3,896)	(935)	578,698
OTHER FINANCING SOURCES (USES):				
Operating transfers in	-	-	7,074	7,074
Operating transfers (out)	(580,184)	-	-	(580,184)
Total other financing sources (uses)	(580,184)	-	7,074	(573,110)
Net income (loss)	3,345	(3,896)	6,139	5,588
RETAINED EARNINGS, BEGINNING	52,595	264,132	(4,283)	312,444
RETAINED EARNINGS, ENDING	$ 55,940	$ 260,236	$ 1,856	$ 318,032

Note: The General Fund of the Orleans Parish Criminal Sheriff's Office has borne certain operating expenses normally associated with providing the services offered by these enterprise funds. Among those expenses are facility costs and insurance expense.

COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE - ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1997

	Commissary	Ft. McComb Marina	Community Service Fund	Totals Memorandum Only
CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES:				
Net income (loss)	$ 3,345	$ (3,896)	$ 6,139	$ 5,588
Adjustments to reconcile net income to net cash flows from operating activities:				
Change in assets and liabilities:				
Decrease in rent receivable	-	600	-	600
Increase in interest receivable	-	(323)	-	(323)
Increase in inventory	(3,345)	-	-	(3,345)
Increase (decrease) in interfund payables	-	33,199	(6,892)	26,307
Net cash from operating activities	-	29,580	(753)	28,827
CASH FLOWS (USED FOR) INVESTING ACTIVITIES:				
Proceeds from sale of investments	-	432,962	-	432,962
Purchase of investments	-	(459,552)	-	(459,552)
Net cash used for investing activities	-	(26,590)	-	(26,590)
Net increase (decrease) in cash and cash equivalents	-	2,990	(753)	2,237
Cash and cash equivalents, beginning of year	-	53,452	2,494	55,946
Cash and cash equivalents, end of year	$ -	$ 56,442	$ 1,741	$ 58,183

See Auditors' Report

COMBINING BALANCE SHEET
PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS
DECEMBER 31, 1997

	Fines and Fees	Self-Insurance Fund	Totals Memorandum Only
ASSETS:			
Cash and cash equivalents	$ 12,459	$ 633	$ 13,092
Interest receivable	-	179,413	179,413
Interfund receivables	30,514	-	30,514
Other receivables	-	-	-
Investments	-	16,074,353	16,074,353
Total assets	$ 42,973	$ 16,254,399	$ 16,297,372
LIABILITIES:			
Claims and judgments	$ -	$ 12,950,000	$ 12,950,000
Total liabilities	-	12,950,000	12,950,000
FUND EQUITY:			
Retained earnings:			
Reserved for claims and judgments	-	3,304,399	3,304,399
Unreserved	42,973	-	42,973
Total retained earnings	42,973	3,304,399	3,347,372
Total fund equity	42,973	3,304,399	3,347,372
Total liabilities and fund equity	$ 42,973	$ 16,254,399	$ 16,297,372

See Auditors' Report

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS - PROPRIETARY FUND TYPES - INTERNAL SERVICE FUNDS FOR THE YEAR ENDED DECEMBER 31, 1997

	Fines and Fees	Self-Insurance Fund	Totals Memorandum Only
REVENUES:			
Fines and costs (net)	$ 14,408	$ -	$ 14,408
Interest income	-	885,046	885,046
Insurance revenues	-	3,605,944	3,605,944
Realized (loss) on investment sales	-	(19,578)	(19,578)
Total revenues	14,408	4,471,412	4,485,820
EXPENSES:			
Claims and judgments	-	4,005,944	4,005,944
Trustee fees	-	32,550	32,550
Miscellaneous	2,565	-	2,565
Total expenses	2,565	4,038,494	4,041,059
Net income	11,843	432,918	444,761
RETAINED EARNINGS, BEGINNING	31,130	2,871,481	2,902,611
RETAINED EARNINGS, ENDING	$ 42,973	$ 3,304,399	$ 3,347,372

See Auditors' Report

COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPE - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1997

	Fines and Fees	Self-Insurance Fund	Totals Memorandum Only
CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES:			
Net income	$ 11,843	$ 432,918	$ 444,761
Adjustments to reconcile net income to net cash flows from operating activities:			
Loss on investment sales	-	19,578	19,578
Changes in assets and liabilities:			
Increase in interest receivable	-	29,939	29,939
Increase in interfund receivable	(10,777)	-	(10,777)
Increase in claims and judgments	-	400,000	400,000
Net cash from operating activities	1,066	882,435	883,501
CASH FLOWS FROM (USED FOR) INVESTING ACTIVITIES:			
Proceeds from sale of investments	-	1,758,127	1,758,127
Purchase of investments	-	(2,645,814)	(2,645,814)
Net cash (used for) investing activities	-	(887,687)	(887,687)
Net increase (decrease) in cash and cash equivalents	1,066	(5,252)	(4,186)
Cash and cash equivalents, beginning of year	11,393	5,885	17,278
Cash and cash equivalents, end of year	$ 12,459	$ 633	$ 13,092

See Auditors' Report

COMBINING BALANCE SHEET - FIDUCIARY FUND TYPES
DECEMBER 31, 1997

	Agency Funds		Pension Trust	
	Criminal Justice	Property Room	Pension Trust I	Pension Trust II
ASSETS:				
Cash	$ 100	$ 338,679	$ 37,167	$ -
Interest receivable	-	-	346,206	202,494
Interfund receivables	-	98,976	-	-
Investments	-	-	23,621,081	14,649,995
Loans outstanding	-	-	-	-
Deposits	-	-	-	-
Total assets	$ 100	$ 437,655	$ 24,004,454	$ 14,852,489
LIABILITIES:				
Savings accounts	$ -	$ -	$ -	$ -
Due to others	-	437,655	-	-
Prepaid pension contributions	-	-	950,099	-
Interfund payables	100	-	-	-
Total liabilities	100	437,655	950,099	-
FUND EQUITY:				
Fund balances:				
Reserved for elderly victim	-	-	-	-
Reserved for credit union	-	-	-	-
Reserved for employee pension	-	-	23,054,355	-
Unreserved:				
Designated for defined benefit pension plan	-	-	-	7,166,013
Undesignated	-	-	-	7,686,476
Total fund equity	-	-	23,054,355	14,852,489
Total liabilities and fund equity	$ 100	$ 437,655	$ 24,004,454	$ 14,852,489

See Auditors' Report

COMBINING BALANCE SHEET - FIDUCIARY FUND TYPES
DECEMBER 31, 1997

Expendable Trust Funds				Totals
Scholarship Fund	Elderly Victim	Benevolent Fund	Credit Union	Memorandum Only
$ 2,799	$ 1,246	$ 2,354	$ 355,091	$ 737,436
-	808	-	21,481	570,989
-	35,542	-	-	134,518
-	598,693	-	1,073,054	39,942,823
-	-	-	1,633,650	1,633,650
-	-	-	18,143	18,143
$ 2,799	$ 636,289	$ 2,354	$ 3,101,419	$ 43,037,559
$ -	$ -	$ -	$ 2,007,355	$ 2,007,355
-	-	-	-	437,655
-	-	-	-	950,099
-	-	-	-	100
-	-	-	2,007,355	3,395,209
-	636,289	-	-	636,289
-	-	-	1,094,064	1,094,064
-	-	-	-	23,054,355
-	-	-	-	7,166,013
2,799	-	2,354	-	7,691,629
2,799	636,289	2,354	1,094,064	39,642,350
$ 2,799	$ 636,289	$ 2,354	$ 3,101,419	$ 43,037,559

See Auditors' Report

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1997

	Scholarship Fund	Thanksgiving Fund	Elderly Victim	Benevolent Fund	Credit Union	Totals Memorandum Only
REVENUES:						
Inmate payments	$ -	$ -	$ 35,542	$ -	$ -	$ 35,542
Interest income	145	-	30,152	122	340,453	370,872
Fees and charges	-	-	-	-	16,897	16,897
Total revenues	145	-	65,694	122	357,350	423,311
EXPENDITURES:						
Interest	-	-	-	-	145,815	145,815
Insurance, credit reports, etc.	-	-	-	-	16,249	16,249
Miscellaneous	-	-	3,499	-	-	3,499
Total expenditures	-	-	3,499	-	162,064	165,563
Excess (deficiency) of revenues over expenditures	145	-	62,195	122	195,286	257,748
OTHER FINANCING SOURCES:						
Residual equity transfer in	-	19,311	-	-	-	19,311
	-	19,311	-	-	-	19,311
Excess of revenues and other financing sources over expenditures	145	19,311	62,195	122	195,286	277,059
FUND BALANCE, BEGINNING	2,654	(19,311)	574,094	2,232	898,778	1,458,447
FUND BALANCE, ENDING	$ 2,799	$ -	$ 636,289	$ 2,354	$ 1,094,064	$ 1,735,506

See Auditors' Report

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - PENSION TRUST FUNDS FOR THE YEAR ENDED DECEMBER 31, 1997

	Pension Trust I	Pension Trust II	Totals Memorandum Only
REVENUES:			
Interest income	$ 1,383,713	$ 840,894	$ 2,224,607
Pension contributions	2,272,315	-	2,272,315
Realized gain (loss) on investment sales	1,782	(1,700)	82
Unrealized gain on investments	94,668	58,081	152,749
Total revenues	3,752,478	897,275	4,649,753
EXPENSES:			
Trustee fees	92,826	43,703	136,529
Pension payments	2,292,311	-	2,292,311
Total expenses	2,385,137	43,703	2,428,840
Net income	1,367,341	853,572	2,220,913
FUND BALANCE, BEGINNING	21,687,014	13,998,917	35,685,931
FUND BALANCE, ENDING	$ 23,054,355	$ 14,852,489	$ 37,906,844

See Auditors' Report

COMBINING STATEMENT OF CASH FLOWS
PENSION TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 1997

	Pension Trust I	Pension Trust II	Totals
CASH FLOWS FROM (USED FOR) OPERATING ACTIVITIES:			
Net income	$ 1,367,341	$ 853,572	$ 2,220,913
Adjustments to reconcile net cash flows from operating activities:			
Changes in assets and liabilities:			
Increase in interest receivable	(75,289)	(20,806)	(96,095)
Increase in investments	(596,700)	(832,766)	(1,429,466)
Decrease in prepaid pension costs	(740,863)	-	(740,863)
Net cash (used for) operating activities	(45,511)	-	(45,511)
Net increase in cash and cash equivalents	(45,511)	-	(45,511)
Cash and cash equivalents, beginning of year	82,678	-	82,678
Cash and cash equivalents, end of year	$ 37,167	$ -	$ 37,167

See Auditors' Report

Ericksen, Krentel, Canton & LaPorte, L.L.P.
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Charles C. Foti, Jr.
Orleans Parish Criminal Sheriff
2800 Gravier Street
New Orleans, Louisiana 70119

We have audited the general purpose financial statements of the Orleans Parish Criminal Sheriff's Office, as of and for the year ended December 31, 1997, and have issued our report thereon dated May 30, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Orleans Parish Criminal Sheriff's Office's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards.* However, we noted certain immaterial instances of noncompliance that we have reported to management of the Orleans Parish Criminal Sheriff's Office, in a separate letter dated May 30, 1998.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Orleans Parish Criminal Sheriff's Office's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal

control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting 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 misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the Orleans Parish Criminal Sheriff's Office, in a separate letter dated May 30, 1998.

This report is intended for the information of management, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

May 30, 1998

Ericksen, Krentel, Canton & LaPorte LLP

Certified Public Accountants

OMB No. 0348-0057

FORM SF-SAC
(8-97)

U.S. DEPARTMENT OF COMMERCE – BUREAU OF THE CENSUS
ACTING AGENT FOR
OFFICE OF MANAGEMENT AND BUDGET

Data Collection Form for Reporting on AUDITS OF STATES, LOCAL GOVERNMENTS, AND NON-PROFIT ORGANIZATIONS

Complete this form, as required by OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

RETURN TO Single Audit Clearinghouse
1201 E. 10th Street
Jeffersonville, IN 47132

PART I GENERAL INFORMATION *(To be completed by auditee, except for Item 7)*

1. Fiscal year ending date for this submission
mm/dd/yy 12/31/97

2. Type of Circular A-133 audit
1 ☒ Single audit 2 ☐ Program-specific audit

3. Audit period covered
1 ☒ Annual 3 ☐ Other - Months
2 ☐ Biennial

FEDERAL GOVERNMENT USE ONLY

4. Date received by Federal clearinghouse

5. Employer Identification Number (EIN)

a. Auditee EIN 72-0950773

b. Are multiple EINs covered in this report? 1 ☐ Yes 2 ☒ *No*

6. AUDITEE INFORMATION	**7. AUDITOR INFORMATION** *(To be completed by auditor)*
a. Auditee name Orleans Parish Criminal Sheriff's Office	**a.** Auditor name Ericksen, Krentel, Canton, & LaPorte, L.L.P.
b. Auditee address *(Number and street)* Street 2800 Gravier Street City New Orleans State Louisiana ZIP Code 70118	**b.** Auditor address *(Number and street)* Street 4227 Canal Street City New Orleans State Louisiana ZIP Code 70119
c. Auditee contact Name Michael Geerken Title CAO	**c.** Auditor contact Name James E. Laporte Title Partner
d. Auditee contact telephone 504-822-8000	**d.** Auditor contact telephone 504-486-7275
e. Auditee contact FAX *(Optional)*	**e.** Auditor contact FAX (Optional) 504-482-2516
f. Auditee contact E-mail *(Optional)*	**f.** Auditor contact E-mail *(Optional)* ekcl@ekclcpa.com

EIN: 72-0950773

g. AUDITEE CERTIFICATION STATEMENT - This is to certify that, to the best of my knowledge and belief, the auditee has: (1) Engaged an auditor to perform an audit in accordance with the provisions of OMB Circular A-133 for the period described in Part I, Items 1 and 3; (2) the auditor has completed such audit and presented a signed audit report which states that the audit was conducted in accordance with the provisions of the Circular; and, (3) the information included in **Parts I, II, and III** of this data collection form is accurate and complete. I declare that the foregoing is true and correct.	**g. AUDITOR STATEMENT** - The data elements and information included in this form are limited to those prescribed by OMB Circular A-133. The information included in Parts II and III of the form, except for Part III, Items 5 and 6, was transferred from the auditor's report(s) for the period described in Part I, Items 1 and 3, and is **not a substitute** for such reports. The auditor has not performed any auditing procedures since the date of the auditor's report(s). A copy of the reporting package required by OMB Circular A-133, which includes the complete auditor's report(s), is available in its entirety from the auditee at the address provided in Part I of this form. As required by OMB Circular A-133, the information in **Parts II and III** of this form was entered in this form by the auditor based on information included in the reporting package. The auditor has not performed any additional auditing procedures in connection with the completion of this form.
Signature of certifying official — Date Month Day Year	Signature of auditor — Date Month Day Year 5/30/98
Michael Geerken	Eriksen, Krentel, Canton & LaPorte LLP
Name/Title of certifying official	
CAO	

PART I GENERAL INFORMATION - Continued

8. Indicate whether the auditee has either a Federal cognizant or oversight agency for audit. *(Mark (X) one box)*

1 ☐ Cognizant agency 2 ☒ Oversight agency

9. Name of Federal cognizant or oversight agency for audit. *(Mark (X) one box)*

01 ☐ African Development Foundation	83 ☐ Federal Emergency Management Agency	16 ☐ Justice	08 ☐ Peace Corps
02 ☐ Agency for International Development	34 ☐ Federal Mediation and Conciliation Service	17 ☐ Labor	59 ☐ Small Business Administration
10 ☒ Agriculture	39 ☐ General Services Administration	43 ☐ National Aeronautics and Space Administration	96 ☐ Social Security Administration
11 ☐ Commerce	93 ☐ Health and Human Services	89 ☐ National Archives and Records Administration	19 ☐ State
94 ☐ Corporation for National and Community Service	14 ☐ Housing and Urban Development	05 ☐ National Endowment for the Arts	20 ☐ Transportation
12 ☐ Defense	03 ☐ Institute for Museum Services	06 ☐ National Endowment for the Humanities	21 ☐ Treasury
84 ☐ Education	04 ☐ Inter-American Foundation	47 ☐ National Science Foundation	82 ☐ United States Information Agency
81 ☐ Energy	15 ☐ Interior	07 ☐ Office of National Drug Control Policy	64 ☐ Veterans Affairs
66 ☐ Environmental Protection Agency			☐ Other - Specify:

PART II FINANCIAL STATEMENTS *(To be completed by auditor)*

1. Type of audit report *(Mark (X) one box)*

1 ☒ Unqualified opinion 2 ☐ Qualified opinion 3 ☐ Adverse opinion 4 ☐ Disclaimer of opinion

2. Is a "going concern" explanatory paragraph included in the audit report?	1 ☐ Yes	2 ☒ No
3. Is a reportable condition disclosed?	1 ☐ Yes	2 ☒ No -SKIP to Item 5
4. Is any reportable condition reported as a material weakness?	1 ☐ Yes	2 ☐ No
5. Is a material noncompliance disclosed?	1 ☐ Yes	2 ☒ No

EIN: 72-0950773

PART III FEDERAL PROGRAMS *(To be completed by auditor)*

1. Type of audit report on major program compliance

1 ☒ Unqualified opinion 2 ☐ Qualified opinion 3 ☐ Adverse opinion 4 ☐ Disclaimer of opinion

2. What is the dollar threshold to distinguish Type A and Type B programs §_.520(b)?

$ 300,000

3. Did the auditee qualify as a low-risk auditee (§_.530)?

1 ☒ Yes 2 ☐ No

4. Are there any audit findings required to be reported under §_.510(a)?

1 ☐ Yes 2 ☒ No

5. Which Federal Agencies are required to receive the reporting package? *(Mark (X) all that apply)*

01 ☐ African Development Foundation
02 ☐ Agency for International Development
10 ☒ Agriculture
11 ☐ Commerce
94 ☐ Corporation for National and Community Service
12 ☐ Defense
84 ☐ Education
81 ☐ Energy
66 ☐ Environmental Protection Agency
83 ☐ Federal Emergency Management Agency
34 ☐ Federal Mediation and Conciliation Service
39 ☐ General Services Administration
93 ☐ Health and Human Services
14 ☐ Housing and Urban Development
03 ☐ Institute for Museum Services
04 ☐ Inter-American Foundation
15 ☐ Interior
16 ☐ Justice
17 ☐ Labor
43 ☐ National Aeronautics and Space Administration
89 ☐ National Archives and Records Administration
05 ☐ National Endowment for the Arts
06 ☐ National Endowment for the Humanities
47 ☐ National Science Foundation
07 ☐ Office of National Drug Control Policy
08 ☐ Peace Corps
59 ☐ Small Business Administration
96 ☐ Social Security Administration
19 ☐ State
20 ☐ Transportation
21 ☐ Treasury
82 ☐ United States Information Agency
64 ☐ Veterans Affairs
00 ☐ None
☐ Other - Specify:

EIN: 72-0950773

PART III FEDERAL PROGRAMS - *Continued*

6. FEDERAL AWARDS EXPENDED DURING FISCAL YEAR			7. AUDIT FINDINGS AND QUESTIONED COSTS				
CFDA number[1] (a)	Name of Federal program (b)	Amount expended (c)	Major program (a)	Type of compliance requirement[2] (b)	Amount of questioned costs (c)	Internal control findings[3] (d)	Audit finding reference number(s) (e)
10.555	National School Lunch Program	$ 304,911	1 ☒ Yes 2 ☐ No	O	$NONE	1 ☐ A 2 ☐ B 3 ☒ C	N/A
10.553	School Breakfast Program	$ 167,877	1 ☐ Yes 2 ☒ No	O	$NONE	1 ☐ A 2 ☐ B 3 ☒ C	N/A
10.550	Food Distribution	$11,493	1 ☐ Yes 2 ☒ No	O	$NONE	1 ☐ A 2 ☐ B 3 ☒ C	N/A
16.560	Drug Use Forecasting System	$30,634	1 ☐ Yes 2 ☒ No	O	$NONE	1 ☐ A 2 ☐ B 3 ☒ C	N/A
16.579	Video Arraignment Phase I	$63,642	1 ☐ Yes 2 ☒ No	O	$NONE	1 ☐ A 2 ☐ B 3 ☒ C	N/A
93.196	Cooperative Agreements for Drug Abuse Treatment Improvement Projects in Target Cities	$140,051	1 ☐ Yes 2 ☒ No	O	$NONE	1 ☐ A 2 ☐ B 3 ☒ C	N/A
		$	1 ☐ Yes 2 ☐ No		$	1 ☐ A 2 ☐ B 3 ☐ C	
		$	1 ☐ Yes 2 ☐ No		$	1 ☐ A 2 ☐ B 3 ☐ C	
		$	1 ☐ Yes 2 ☐ No		$	1 ☐ A 2 ☐ B 3 ☐ C	
		$	1 ☐ Yes 2 ☐ No		$	1 ☐ A 2 ☐ B 3 ☐ C	
TOTAL FEDERAL AWARDS EXPENDED		$718,608	IF ADDITIONAL LINES ARE NEEDED, PLEASE REFER TO THE INSTRUCTIONS FOR OMB CIRCULAR A-133 WORD PROCESSING TEMPLATE				

[1] Or other identifying number when the Catalog of Federal Domestic Assistance (CFDA) number is not available.

[2] Type of compliance requirement *(Enter the letter(s) of all that apply to audit findings and questioned costs reported for each Federal program.)*

A. Activities allowed or unallowed
B. Allowable costs/cost principles
C. Cash management
D. Davis - Bacon Act
E. Eligibility
F. Equipment and real property management
G. Matching, level of effort, earmarking
H. Period of availability of funds
I. Procurement
J. Program income
K. Real property acquisition and relocation assistance
L. Reporting
M. Subrecipient monitoring
N. Special tests and provisions
0. None

3 Type of internal control findings *(Mark (X) all that apply)*

A. Material weaknesses B. Reportable conditions C. None reported

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

Charles C. Foti, Jr.
Orleans Parish Criminal Sheriff
2800 Gravier Street
New Orleans, Louisiana 70119

Compliance

We have audited the compliance of the Orleans Parish Criminal Sheriff's Office, 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 December 31, 1997. The Orleans Parish Criminal Sheriff's Office's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Orleans Parish Criminal Sheriff's Office's management. Our responsibility is to express an opinion on the Orleans Parish Criminal Sheriff's Office'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 Orleans Parish Criminal Sheriff's Office'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 Orleans Parish Criminal Sheriff's Office's compliance with those requirements.

In our opinion, the Orleans Parish Criminal Sheriff's Office, complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 1997.

Internal Control Over Compliance

The management of the Orleans Parish Criminal Sheriff's Office, 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 Orleans Parish Criminal Sheriff's Office'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 management, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

May 30, 1998

Ericksen, Krentel, Canton & LaPorte LLP

Certified Public Accountants

ORLEANS PARISH CRIMINAL SHERIFF'S OFFICE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 1997

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of the Orleans Parish Criminal Sheriff's Office.

2. No reportable conditions were disclosed during the audit of the financial statements.

3. No instances of noncompliance material to the general purpose financial statements of the Orleans Parish Criminal Sheriff's Office were disclosed during the audit.

4. No reportable conditions in internal control over its major program were disclosed during the audit of the major federal award program.

5. The auditors' report on compliance for the major federal award program for the Orleans Parish Criminal Sheriff's Office expresses an unqualified opinion.

6. The audit did not disclose any audit findings relating to major programs.

7. The program tested as a major program was the National School Lunch Program (CFDA number 10.555)

8. The threshold for distinguishing Types A and B programs was $300,000.

9. The Orleans Parish Criminal Sheriff's Office was determined to be a low risk auditee.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

None

C. FINDINGS AND QUESTIONED COSTS-MAJOR FEDERAL AWARD PROGRAM AUDIT

None

SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 1997

Federal Grantor/ Pass-through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor's Number	Disbursements/ Expenditures
U.S. Department of Justice			
National Institute of Justice Drug Use Forecasting System	16.560	94-IJ-R-014	$ 30,634
Louisiana Commission on Law Enforcement and Administration of Criminal Justice Video Arraignment Phase I	16.579	93-139-B.10-0094	63,642
			94,276
U.S. Department of Agriculture			
Louisiana Department of Agriculture Food Distribution	10.550	-	11,493
Louisiana Department of Education National School Lunch Program	10.555	-	304,911 *
School Breakfast Program	10.553	-	167,877
			484,281
Department of Health and Human Services			
Louisiana Department of Health and Hospitals, Office of Alcohol and Drug Abuse Cooperative Agreements for Drug Abuse Treatment Improvement Projects in Target Cities	93.196	53393	140,051
			$ 718,608

* Major Program

CRIMINAL SHERIFF

Parish of Orleans - State of Louisiana - New Orleans, Louisiana 70119

CHARLES C. FOTI, JR.
Sheriff

ORLEANS PARISH CRIMINAL SHERIFF'S OFFICE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 1997

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of the Orleans Parish Criminal Sheriff's Office.

2. No reportable conditions were disclosed during the audit of the financial statements.

3. No instances of noncompliance material to the general purpose financial statements of the Orleans Parish Criminal Sheriff's Office were disclosed during the audit.

4. No reportable conditions in internal control over its major program were disclosed during the audit of the major federal award program.

5. The auditors' report on compliance for the major federal award program for the Orleans Parish Criminal Sheriff's Office expresses an unqualified opinion.

6. The audit did not disclose any audit findings relating to major programs.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

None

C. FINDINGS AND QUESTIONED COSTS-MAJOR FEDERAL AWARD PROGRAM AUDIT

None

Ericksen, Krentel, Canton & LaPorte, L.L.P.
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CLAUDE M. SILVERMAN*

*PROFESSIONAL CORPORATION

BENJAMIN J. ERICKSEN (Retired 1998)
J.V. LECLERE KRENTEL (Retired 1993)
RONALD H. ACKERMANN (Retired 1995)

MANAGEMENT LETTER

May 30, 1998

Chief Michael Geerken
Orleans Parish Criminal
Sheriff's Office
2800 Gravier Street
New Orleans, Louisiana 70119

In planning and performing our audit of the financial statements of the Orleans Parish Criminal Sheriff's Office for the year ended December 31, 1997, we considered the Office's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. This letter summarizes our comments and suggestions regarding those matters. We previously reported on the Office's internal control structure in our report dated May 30, 1998. This letter does not affect our report dated May 30, 1998, on the general purpose financial statements of the Orleans Parish Criminal Sheriff's Office.

The following are items we noted:

1) Accounting Manual

We noted that the Office does not have a complete accounting procedures manual. We suggest that the Office complete the manual by assigning specific individuals the task of completing the manual. We would also suggest that the Office's organization chart be reviewed during this process to make certain that any recent changes in operation are reflected therein.

2) Grants

The Office receives grants from several governmental agencies. Currently, the office has a grant coordinator responsible for monitoring compliance with applicable grants. However, we noted that two of the grants are compiled by other individuals and are not reviewed by the grant coordinator. We recommend that the grant coordinator also monitor these grants to ensure that all grant requirements are being administered on a consistent basis. Additionally, the grant coordinator should provide the accounting department with copies of all grant reports so that they can verify reported expenditures and monitor receivables from each grant program.

3) Centralized Receiving

As a result of the remote locations of the prison facilities, the receipts of goods are now being handled at various locations throughout the prison. We recommend utilizing a central receiving point which would provide better control over receipt of goods. We also recommend that a central store be established allowing greater control of supply inventories. This would also allow purchases of more economical quantities at available discounts.

4) Task Tracking System

Due to the volume of construction and or repairs and maintenance jobs occurring throughout the year, we recommend a task tracking system be implemented to capture all costs associated with these activities on a project by project basis.

The above four items are repeat recommendations from 1996.

5) Year 2000

The Year 2000 issue relates to computer systems that store dates with only two digits to indicate the year, with no century identifier. Computer hardware and software applications which use dates in this format will interpret the date January 1, 2000 as January 1, 1900. Unless this problem is addressed, computer systems that rely on date calculations are at risk of producing unpredictable results or complete failure.

Suggestions for the resolution of Year 2000 issues are as follows:

a) Identify and assess the Year 2000 issues relating to hardware and software in use.
b) Develop a timetable for resolving the issues
c) Assign adequate personnel to resolving the issue.
d) Monitor efforts to resolve the issues.

We will review the status of these comments during our next audit engagement. We have already discussed these comments with various Office personnel, and will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Ericksen, Krentel, Canton & LaPorte LLP

Certified Public Accountants

CRIMINAL SHERIFF

Parish of Orleans · State of Louisiana · New Orleans, Louisiana 70119

CHARLES C. FOTI, JR.
Sheriff

CORRECTIVE ACTION PLAN RELATIVE TO MANAGEMENT LETTER ITEMS

May 30, 1998

Louisiana Legislative Auditor

The Orleans Parish Criminal Sheriff's Office respectfully submits the following corrective action plan for the year ended December 31, 1997. This plan also provides an update on the status of items noted in the management letter for the year ended December 31, 1996.

Name and address of independent public accounting firm:

Ericksen, Krentel, Canton & LaPorte, L.L.P.
4227 Canal Street
New Orleans, Louisiana 70119
Contact: Ronald H. Dawson, Jr.

Audit Period: 01/01/97 to 12/31/97
01/01/96 to 12/31/96

The items from the management letter issued for the year ended December 31, 1997 and 1996 are discussed below. The items are numbered consistently with the number assigned in the management letter.

1. Accounting Manual

Recommendation: The Office should complete an accounting procedures manual.

Current Status: We concur with the recommendation. Information needed to update the accounting manual has been compiled and is being processed. Management believes that the accounting manual will be completed before the year end. We have also revised the organization chart.

2. Grants

Recommendation: Grant coordinator should monitor all grants and provide the accounting department with all grant reports.

Current Status: We agree with the recommendation. All grant programs are now being reviewed and monitored by the grant coordinator. The accounting department is now being provided copies of the reports filed with the agencies providing the federal funds so that they can verify amounts and record amounts receivable.

3. Centralized Receiving

Recommendation: Establish a central receiving point for the control and distribution of goods.

Current Status: During 1997, we completed construction of a building which includes new kitchen facilities and warehouse storage areas. A receiving dock was included with the building. Presently, we have moved supplies and other material which had been stored at satellite locations throughout our property into the warehouse storage area. This has allowed us to centralize our supplies and materials distribution process. We have also begun to receive all deliveries at the new shipping dock. These procedures will now allow us to better monitor our supplies inventories and will improve our controls in the purchasing and receiving areas.

4. Task Tracking System

Recommendation: Implement a task tracking system to capture costs associated with construction and or repairs and maintenance projects.

Current Status: The task tracking system is being designed and certain portions of it are now in use. Job requests are now in most cases submitted to the Maintenance Director via a computer task request system. Our maintenance coordinator assigns a control number to each maintenance project in excess of $10,000. All project costs are reviewed and coded within his department before they are recorded in the general ledger. We have not yet completed the formatting of the specific reports that we hope to receive on a monthly basis which would provide details on the cost of each job individually. We do expect to have these reports available by the end of this fiscal year.

5. Year 2000

Recommendation: Implement a plan to resolve Year 2000 issues related to computer systems.

Current Status: The Office has begun resolving Year 2000 issues. The computer systems department is obtaining software that will make the Office's computer system Year 2000 compliant, and is currently identifying other areas that need to be addressed. Plans are being made to replace certain systems, notably payroll, scheduling, and credit union with new Y2K compliant software.

Finally, we have instituted weekly staff meetings attended by accounting, purchasing, data processing, and other department heads, chaired by the Chief Administrative Officer. These meeting serve to address problems such as those above, deal with day-to-day operational problems, coordinate ongoing projects, and make future plans.

If you have questions regarding this plan, please call Chief Michael Geerken at (504) 822-8000.

Sincerely,

Signature

CAO - Orleans Parish Criminal Sheriff's Office
Title