

Mr. Bolivar Bishop
Beauregard Parish Sheriff and
Ex-Officio Tax Collector
DeRidder, Louisiana
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individual file folders concerning delinquencies. There is little information in the taxpayers files to determine what action if any has been taken against a delinquent account. In some instances, follow up procedures on delinquent accounts were not implemented timely. Some accounts that had been delinquent for months only had computer generated letters in the file with no other documentation concerning any other actions taken to correct the delinquency. A systematic procedure for handling delinquencies has not been implemented during the year. The above comments concerning delinquencies were verbally communicated to management in the prior year audit but have yet to be implemented.

Recommendation:

I recommend that all documentation concerning a delinquent account be kept in an orderly fashion in the taxpayers individual file folder so that timely follow up procedures can be implemented. Each delinquent account should be reviewed each month to determine the corrective action that needs to be taken. I also recommend that a policy concerning delinquencies be formulated and adopted by management.

Management's Response:

A comprehensive delinquent policy similar to the one used by the State of Louisiana is being written by management and will be adopted and placed in effect as soon as it is completed. The policy will address all of our findings and provide for a systematic way to handle delinquent accounts.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the statement of assets and liabilities arising out of cash transactions and the statement of collections, distributions, and unsettled balances of the Beauregard Parish Sheriff's Tax Collector Agency Fund 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 structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable

Statement B

BEAUREGARD PARISH SHERIFF'S TAX COLLECTOR AGENCY FUND
DeRidder, Louisiana

Statement of Collections, Distributions,
and Unsettled Balances
For the Year July 1, 1995 to June 30, 1996

<u>UNSETTLED BALANCES AT JUNE 30, 1995</u>	\$	118,387
 <u>COLLECTIONS</u>		
Ad valorem taxes:		
Beauregard Parish	\$	10,335,209
City of DeRidder		331,933
Interest earned on:		
Delinquent taxes		
Beauregard Parish		5,512
City of DeRidder		398
Investments		11,295
Protested taxes		1,175
Occupational and chain store licenses:		
Beauregard Parish		70,151
City of DeRidder		347,209
Town of Merryville		51,824
Sheriff		12,380
Angling, hunting, and trapping licenses		24,533
State revenue sharing		655,355
Tax notices, etc.		11,054
Fire protection assessment (Act 145 of 1987)		9,375
Gaming licenses (escrow)		87,845
Sales tax:		
City of DeRidder		3,311,838
Beauregard Parish School Board		5,904,439
Beauregard Parish Police Jury		2,531,047
Town of Merryville		152,039
Sheriff		747,869
Back taxes		8,625
Protested taxes		41,076
Tax sale redemptions		13,122
Louisiana tax commission assessment fee		<u>2,887</u>
 Total collections	 \$	 <u>24,668,190</u>
 Total	 \$	 <u>24,786,577</u>

(Continued)

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BEAUREGARD PARISH SHERIFF'S TAX COLLECTOR AGENCY FUND
DeRidder, Louisiana

STATEMENTS OF ASSETS AND LIABILITIES ARISING OUT OF
CASH TRANSACTIONS AND COLLECTIONS, DISTRIBUTIONS AND
UNSETTLED BALANCES WITH ACCOMPANYING AUDITOR'S REPORT

JUNE 30, 1996

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 OCT 16 1996

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John A. Windham, CPA

A Professional Corporation

1620 North Pine St.
DeRidder, LA 70634
Tel. (318) 462-3211
Fax. (318) 462-0640

John A. Windham, CPA

INDEPENDENT AUDITOR'S REPORT

Mr. Bolivar Bishop
Beauregard Parish Sheriff and
Ex-Officio Tax Collector
DeRidder, Louisiana

I have audited the statement of assets and liabilities arising out of cash transactions and the statement of collections, distributions and unsettled balances, of the Beauregard Parish Sheriff's Tax Collector Agency Fund as of and for the year ended June 30, 1996, as listed in the table of contents. These statements are the responsibility of the Beauregard Parish Sheriff. My responsibility is to express an opinion on the statement of assets and liabilities arising out of cash transactions and the statement of collections, distributions, and unsettled balances based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance that the statement of assets and liabilities arising out of cash transactions and the statement of collections, distributions, and unsettled balances are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall presentation of the statement of assets and liabilities arising out of cash transactions and the statement of collections, distributions, and unsettled balances. I believe that my audit provides a reasonable basis for my opinion.

As described in Note 1 the Beauregard Parish Sheriff's Tax Collector Agency Fund prepares its financial statements on the cash basis, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Statement A

BEAUREGARD PARISH SHERIFF'S TAX COLLECTOR AGENCY FUND
DeRidder, Louisiana

Statement of Assets and Liabilities
Arising out of Cash Transactions
June 30, 1996

<u>ASSETS</u>	
Cash	\$ <u>153,468</u>
<u>LIABILITIES</u>	
Due to taxing bodies and others	\$ 152,968
Due to general fund	<u>500</u>
Total liabilities	\$ <u>153,468</u>

BEAUREGARD PARISH SHERIFF'S TAX COLLECTOR AGENCY FUND
DeRidder, Louisiana

Statement of Collections, Distributions,
and Unsettled Balances
For the Year July 1, 1995 to June 30, 1996

DISTRIBUTIONS

Louisiana Department of Wildlife and Fisheries	\$ 83,084
Louisiana Department of Agriculture and Forestry	39,494
Louisiana Tax Commission	3,385
Beauregard Parish:	
Police Jury	5,313,691
School Board	10,848,695
Waterworks districts	172,486
Hospital district	117
Library	695,152
Sheriff	2,279,038
Assessor	417,155
Clerk of Court	310
Fire districts	272,859
Sales tax audit fees	1,436
Pension funds	295,326
Town of Merryville	203,863
City of DeRidder	3,990,100
Refunds	16,918
 Total	 \$24,633,109

UNSETTLED BALANCES AT JUNE 30, 1996
DUE TO TAXING BODIES AND OTHERS

\$ 153,468

(Concluded)

BEAUREGARD PARISH SHERIFF'S TAX COLLECTOR AGENCY FUND
DeRidder, Louisiana

Notes to the Financial Statements
For the Year July 1, 1995 through June 30, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes, parish sales taxes and occupational licenses, state revenue sharing funds, angling, hunting, and trapping licenses, and fines, costs, and bond forfeitures imposed by the district court.

Louisiana Revised Statute 24:517(D) requires that the accounts of each parish tax collector be audited annually. Accordingly, the accompanying statements reflect the financial activity of the sheriff relating only to his responsibility as ex-officio parish tax collector. Amounts included in these statements of assets and liabilities arising out of cash transactions and collections, distributions and unsettled balances are also included in the sheriff's annual general purpose financial statements.

The accounts of the parish tax collector are established to reflect the collections imposed by law, distributions pursuant to such law, and unsettled balances due various taxing bodies and others. The accompanying statements of assets and liabilities arising out of cash transactions and collections, distributions and unsettled balances have been prepared on the cash basis of accounting, with collections recognized when received and distributions reflected when paid.

BEAUREGARD PARISH SHERIFF'S TAX COLLECTOR AGENCY FUND
DeRidder, Louisiana

Notes to the Financial Statements
For the Year July 1, 1995 through June 30, 1996

2. STATE REVENUE SHARING FUNDS

There were no excess revenue sharing funds. The revenue sharing funds provided by Act 763 of 1990 were distributed as follows:

Beauregard Parish:	
Police Jury	\$ 109,532
School Board	283,255
Assessor	48,939
Sheriff:	
Law Enforcement District - Includes Commission	152,637
Library	49,707
Pension funds	11,285
Total	\$ 655,355

3. UNSETTLED BALANCES AT JUNE 30, 1996

Due to Louisiana Wildlife and Fisheries Commission	\$ 2,840
Due to Louisiana Forestry Commission	37
Due to Beauregard Parish Police Jury	12,580
Due to Beauregard Parish School Board	5,862
Due to Beauregard Parish Waterworks Districts	141
Due to Beauregard Parish Library	817
Due to Beauregard Parish Sheriff	3,613
Due to Beauregard Parish Assessor	443
Due to Beauregard Parish Fire Districts	218
Due to City of DeRidder	359
Act 453 of 1987 - ad valorem taxes paid by automobile dealers	30,690
Hunting and fishing escrow	22,372
Protested taxes escrow	72,996
Due to general fund	500
Total	\$ 153,468

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Ex-Officio Tax Collector
DeRidder, Louisiana
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conditions that are also considered to be material weaknesses as defined above. However, I believe none of the reportable conditions described above is a material weakness.

This report is intended for the information of the Beauregard Parish Sheriff and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

John A. Windham, CPA
DeRidder, Louisiana
September 24, 1996

John A. Windham, CPA

A Professional Corporation

1620 North Pine St.
DeRidder, LA 70634
Tel. (318) 462-3211
Fax. (318) 462-0640

John A. Windham, CPA

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
BASED ON AN AUDIT OF THE STATEMENT OF ASSETS AND LIABILITIES
ARISING OUT OF CASH TRANSACTIONS AND THE STATEMENT OF
COLLECTIONS, DISTRIBUTIONS, AND UNSETTLED BALANCES OF THE
BEAUREGARD PARISH SHERIFF'S TAX COLLECTOR AGENCY FUND
PERFORMED IN ACCORDANCE WITH "GOVERNMENT AUDITING STANDARDS"

Mr. Bolivar Bishop
Beauregard Parish Sheriff and
Ex-Officio Tax Collector
DeRidder, Louisiana

I have audited the statement of assets and liabilities arising out of cash transactions and the statement of collections, distributions, and unsettled balances of the Beauregard Parish Sheriff's Tax Collector Agency Fund as of and for the year ended June 30, 1996, and have issued my report thereon dated September 24, 1996.

I conducted my audit in accordance with generally accepted auditing standards, GOVERNMENT AUDITING STANDARDS, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the statement of assets and liabilities arising out of cash transactions and the statement of collections, distributions, and unsettled balances of the Beauregard Parish Sheriff's Tax Collector Agency Fund are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Beauregard Parish Sheriff's Tax Collector Agency Fund is the responsibility of the Beauregard Parish Sheriff. As part of obtaining reasonable assurance about whether the statement of assets and liabilities arising out of cash transactions and the statement of collections, distributions, and unsettled balances are free of material misstatement, I performed tests of the Beauregard Parish Sheriff's Tax Collector Agency Funds compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of my audit of the statement of assets and liabilities arising out of cash transactions and the statement of collections, distributions, and unsettled balances of the Beauregard Parish Sheriff's Tax Collector

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Beauregard Parish Sheriff and
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DeRidder, Louisiana
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Agency Fund was not to provide an opinion on overall compliance with such provisions. Accordingly, I do not express such an opinion.

The results of my tests disclosed no instances of noncompliance that are required to be reported under Governmental Auditing Standards.

This report is intended for the information of the Beauregard Parish Sheriff, and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

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September 24, 1996

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF THE STATEMENT OF ASSETS AND
LIABILITIES ARISING OUT OF CASH TRANSACTIONS AND THE
STATEMENT OF COLLECTIONS, DISTRIBUTIONS, AND UNSETTLED
BALANCES OF THE BEAUREGARD PARISH SHERIFF'S TAX COLLECTOR
AGENCY FUND PERFORMED IN ACCORDANCE WITH
"GOVERNMENT AUDITING STANDARDS"

Mr. Bolivar Bishop
Beauregard Parish Sheriff and
Ex-Officio Tax Collector
DeRidder, Louisiana

I have audited the statement of assets and liabilities arising out of cash transactions and the statement of collections, distributions, and unsettled balances of the Beauregard Parish Sheriff Tax Collector Agency Fund as of and for the year ended June 30, 1996, and have issued my report thereon dated September 24, 1996.

I conducted my audit in accordance with generally accepted auditing standards, GOVERNMENT AUDITING STANDARDS, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the statement of assets and liabilities arising out of cash transactions and the statement of collections, distributions, and unsettled balances of the Beauregard Parish Sheriff's Tax Collector Agency Fund are free of material misstatement.

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

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unsettled balances of the Beauregard Parish Sheriff's Tax Collector Agency Fund. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions, or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing my audit of the statement of assets and liabilities arising out of cash transactions and the statement of collections, distributions, and unsettled balances of the Beauregard Parish Sheriff's Tax Collector Agency Fund for the year ended June 30, 1996, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the statement of assets and liabilities arising out of cash transactions and the statement of collections, distributions, and unsettled balances of the Beauregard Parish Sheriff's Tax Collector Agency Fund for the year ended June 30, 1996, and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

I noted certain matters involving the internal control structure and its operation that I consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control structure that, in my judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the statement of assets and liabilities arising out of cash transactions and the statement of collections, distributions, and unsettled balances of the Beauregard Parish Sheriff's Tax Collector Agency Fund for the year ended June 30, 1996.

Sales Tax Delinquencies:

Findings:

There is inadequate documentation in the taxpayers

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In my opinion, the accompanying statement of assets and liabilities arising out of cash transactions and the statement of collections, distributions, and unsettled balances presents fairly, in all material respects, the cash balances of the Beauregard Parish Sheriff's Tax Collector Agency Fund as of June 30, 1996 and the collections it received and distributions it paid for the year then ended on the basis of accounting described in Note 1.

John A. Windham, CPA
DeRidder, Louisiana
September 24, 1996