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**TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana**

**General Purpose Financial Statements
With Independent Auditor's Report
As of and for the Years Ended
June 30, 2002 and 2001
With Supplemental Information Schedules**

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

Release Date 1/8/03

Waguespack & Gallagher, LLC
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**TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana**

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**TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana**

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INDEPENDENT AUDITOR'S REPORT

Honorable Ernest Sikes
Tensas Parish Clerk Of Court
St. Joseph, Louisiana

We have audited the accompanying general-purpose financial statements of the Tensas Parish Clerk of Court, component unit of the Tensas Parish Police Jury, as of June 30, 2002, and for each of the years in the two year period then ended, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Tensas Parish Clerk of Court'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 standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and Louisiana Governmental Audit Guide, issued by the Louisiana Legislative Auditor and the Louisiana Society of Certified Public Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. 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 Tensas Parish Clerk of Court as of June 30, 2002, and the results of its operations for the two years then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated September 6, 2002, on our consideration of Tensas Parish Clerk of Court's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general-purpose financial statements of the Tensas Parish Clerk of Court. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

Waguespack + Gallagher, LLC

September 6, 2002

**GENERAL-PURPOSE FINANCIAL STATEMENTS
(OVERVIEW)**

**TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana**

Statement A

**All Fund Types and Account Groups
Combined Balance Sheet, June 30, 2002**

	<u>Governmental Fund Type - General Fund</u>	<u>Fiduciary Fund Type - Agency Funds</u>	<u>Account Group General Fixed Assets</u>	<u>Total (Memorandum Only)</u>
ASSETS AND OTHER DEBITS				
Cash	\$ 25,101	\$ 62,867	\$ -	\$ 87,968
Receivables	5,198	-	-	5,198
Office furnishings and equipment	-	-	85,939	85,939
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 30,299</u>	<u>\$ 62,867</u>	<u>\$ 85,939</u>	<u>179,105</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 2,926	\$ -	\$ -	\$ 2,926
Payroll withholdings payable	664	-	-	664
Unsettled deposits due to others	-	62,867	-	62,867
Total Liabilities	<u>3,590</u>	<u>62,867</u>	<u>-</u>	<u>66,457</u>
Fund Equity:				
Investment in general fixed assets	-	-	85,939	85,939
Fund balance - unreserved - undesignated	26,709	-	-	26,709
Total Fund Equity	<u>26,709</u>	<u>-</u>	<u>85,939</u>	<u>112,648</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 30,299</u>	<u>\$ 62,867</u>	<u>\$ 85,939</u>	<u>\$ 179,105</u>

The accompanying notes are an integral part of this statement.

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

Statement B

All Fund Types and Account Groups
Combined Balance Sheet, June 30, 2001

	<u>Governmental Fund Type - General Fund</u>	<u>Fiduciary Fund Type - Agency Funds</u>	<u>Account Group General Fixed Assets</u>	<u>Total (Memorandum Only)</u>
ASSETS AND OTHER DEBITS				
Cash	\$ 16,268	\$ 50,646	\$ -	\$ 66,914
Receivables	6,084	-	-	6,084
Office furnishings and equipment	-	-	85,976	85,976
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS AND OTHER DEBITS	<u>\$ 22,352</u>	<u>\$ 50,646</u>	<u>\$ 85,976</u>	<u>158,974</u>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$ 5,095	\$ -	\$ -	\$ 5,095
Payroll withholdings payable	1,678	-	-	1,678
Unsettled deposits due to others	-	50,646	-	50,646
Total Liabilities	<u>6,773</u>	<u>50,646</u>	<u>-</u>	<u>57,419</u>
Fund Equity:				
Investment in general fixed assets	-	-	85,976	85,976
Fund balance - unreserved - undesignated	15,579	-	-	15,579
Total Fund Equity	<u>15,579</u>	<u>-</u>	<u>85,976</u>	<u>101,555</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 22,352</u>	<u>\$ 50,646</u>	<u>\$ 85,976</u>	<u>\$ 158,974</u>

The accompanying notes are an integral part of this statement.

**TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana**

Statement C

**Governmental Fund Type - General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balance
For the Years Ended June 30, 2002 and 2001**

	2002	2001
REVENUES		
Intergovernmental Revenue:		
State grant - appropriation from Clerk's Supplemental Fund	\$ 14,400	\$ 13,500
Licenses and permits - marriage licenses	350	965
Fees, charges, and commissions for services:		
Court costs, fees, and charges	108,724	106,981
Fees for recording legal documents	97,970	71,865
Fees for certified copies of documents	17,944	26,095
Use of money and property - interest earnings	179	120
Miscellaneous	3,733	6,502
Total revenues	243,300	226,028
EXPENDITURES		
General government - judicial:		
Current:		
Personal services and related benefits	188,361	179,201
Operating services	28,007	28,517
Materials and supplies	9,799	6,139
Travel and other charges	4,702	2,312
Capital outlay	1,301	-
Total expenditures	232,170	216,169
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	11,130	9,859
FUND BALANCE AT BEGINNING OF THE YEAR	15,579	5,720
FUND BALANCE AT END OF THE YEAR	\$ 26,709	\$ 15,579

The accompanying notes are an integral part of this statement.

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

Statement D

Governmental Fund Type - General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2002

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental Revenues:			
State grant - appropriation from Clerk's Supplemental Fund	\$ 12,000	\$ 14,400	\$ 2,400
Licenses and permits - marriage licenses	1,200	350	(850)
Fees, charges, and commissions for services:			
Court costs, fees, and charges	112,300	108,724	(3,576)
Fees for recording legal documents	87,000	97,970	10,970
Fees for certified copies of documents	18,000	17,944	(56)
Use of money and property - interest earnings	2,000	179	(1,821)
Miscellaneous	7,500	3,733	(3,767)
Total revenues	240,000	243,300	3,300
EXPENDITURES			
General government - judicial:			
Current:			
Personal services and related benefits	180,000	188,361	(8,361)
Operating services	30,000	28,007	1,993
Materials and supplies	5,000	9,799	(4,799)
Travel and other charges	15,000	4,702	10,298
Capital outlay	-	1,301	(1,301)
Total expenditures	230,000	232,170	(2,170)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	10,000	11,130	1,130
FUND BALANCE AT BEGINNING OF THE YEAR			
	15,579	15,579	-
FUND BALANCE AT END OF THE YEAR			
	\$ 25,579	\$ 26,709	\$ 1,130

The accompanying notes are an integral part of this statement.

**TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana**

Statement E

**Governmental Fund Type - General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2001**

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental Revenues:			
State grant - appropriation from Clerk's Supplemental Fund	\$ 12,000	\$ 13,500	\$ 1,500
Licenses and permits - marriage licenses	1,200	965	(235)
Fees, charges, and commissions for services:			
Court costs, fees, and charges	112,300	106,981	(5,319)
Fees for recording legal documents	87,000	71,865	(15,135)
Fees for certified copies of documents	18,000	26,095	8,095
Use of money and property - interest earnings	2,000	120	(1,880)
Miscellaneous	7,500	6,502	(998)
Total revenues	240,000	226,028	(13,972)
EXPENDITURES			
General government - judicial:			
Current:			
Personal services and related benefits	170,000	179,201	(9,201)
Operating services	25,000	28,517	(3,517)
Materials and supplies	5,000	6,139	(1,139)
Travel and other charges	12,000	2,312	9,688
Capital outlay	-	-	-
Total expenditures	212,000	216,169	(4,169)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	28,000	9,859	(18,141)
FUND BALANCE AT BEGINNING OF THE YEAR			
	5,720	5,720	-
FUND BALANCE AT END OF THE YEAR			
	\$ 33,720	\$ 15,579	\$ (18,141)

The accompanying notes are an integral part of this statement.

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

Notes to the Financial Statements
As of and For the Year Ended June 30, 2002 and 2001

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. BASIS OF PRESENTATION

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

2. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Tensas Parish Police Jury is the financial reporting entity for Tensas Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which *component units should be considered part of the Tensas Parish Police Jury for financial reporting purposes*. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

Appointing a voting majority of an organization's governing body, and

- The ability of the police jury to impose its will on that organization and/or
- The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.

Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.

Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury maintains and operates the parish courthouse in which the clerk of court's office is located and provided funds for equipment and furniture of the clerk of court's office, the clerk of court was determined to be a component unit of the Tensas Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on funds maintained by the clerk of court and do not present information on the police jury, the general government services provided by that government unit, or the other governmental units that comprise the financial reporting entity.

3. FUND ACCOUNTING

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

**TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana**

**Notes to the Financial Statements - Continued
As of and For the Year Ended June 30, 2002 and 2001**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Funds are classified into two categories: governmental (General Fund) and fiduciary (Agency Funds). These funds are described as follows:

General Fund

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

Agency Funds

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

4. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The governmental funds are accounted for using a flow of current financial resources measurement focus. The accompanying general purpose financial statements have been prepared on the modified accrual basis of accounting. The modified accrual basis of accounting is used for reporting all governmental and fiduciary fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The clerk of court uses the following practices in recognizing and reporting revenues and expenditures:

Revenues

Recordings, cancellations, court attendance, criminal costs, and other fees, charges, and commissions for services are recorded in the year in which they are earned.

Interest income on interest-bearing demand deposits is recorded monthly when the local bank credits the account and the income becomes available.

Substantially all other revenues are recognized when received by the clerk of court.

Based on the above criteria, recordings, court attendance, criminal costs, and other fees, charges, and commissions for services are treated as susceptible to accrual.

Expenditures

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

**TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana**

**Notes to the Financial Statements - Continued
As of and For the Year Ended June 30, 2002 and 2001**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. BUDGET PRACTICES

A proposed budget is made available for public inspection at least ten days prior to a public hearing. The public hearing is held at the clerk's office during the month of June for comments from taxpayers. The proposed budget is then legally adopted by the clerk and amended during the year, as necessary. Budgets are established and controlled by the clerk at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended.

6. CASH

Cash includes amounts in demand deposits and interest-bearing demand deposits. Under state law, the clerk of court may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having principal offices in Louisiana.

7. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized (reported) in the general fixed assets account group. General fixed assets provided by the parish police jury are not recorded within the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost based on the actual costs of like items.

8. VACATION AND SICK LEAVE

All employees of the clerk of court's office earn two weeks of non-cumulative vacation leave each year. Sick leave is granted on a case-by-case basis, at the discretion of the clerk.

9. TOTAL COLUMN ON THE BALANCE SHEET

The total column on the balance sheet is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis (overview). Data in this column does not present 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.

NOTE B - CASH

At June 30, 2002 and 2001, the clerk of court has cash and cash equivalents (book balances) totaling \$87,968 and \$66,914, respectively, as follows:

	<u>2002</u>	<u>2001</u>
Demand deposits	\$ 884	\$ 884
Interest-bearing demand deposits	<u>87,084</u>	<u>66,030</u>
Total	<u>\$ 87,968</u>	<u>\$ 66,914</u>

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

**TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana**

**Notes to the Financial Statements – Continued
As of and For the Year Ended June 30, 2002 and 2001**

NOTE B – CASH - Continued

At June 30, 2002 and 2001, the clerk has \$95,442 and \$50,418, respectively, in deposits (collected bank balances).

NOTE C - RECEIVABLES

The General Fund receivables of \$5,198 and \$6,084 at June 30, 2002 and 2001, respectively, are as follows:

<u>Class of Receivables</u>	<u>2002</u>	<u>2001</u>
Fees, charges, and commissions for service:		
Fees for recording legal documents	4,294	4,959
Fees for certified copies of documents	896	1,125
Miscellaneous	<u>8</u>	<u>-</u>
Total	<u>\$ 5,198</u>	<u>\$ 6,084</u>

NOTE D - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in office furnishings and equipment follows:

Balance, July 1, 2000	\$ 85,976
Additions	-
Deletions	<u>-</u>
Balance, June 30, 2001	85,976
Additions	1,301
Deletions	<u>1,338</u>
Balance, June 30, 2002	<u>\$ 85,939</u>

NOTE E - PENSION PLAN

Substantially all employees of the Tensas Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund (System), a cost-sharing, multiple-employer defined benefits pension plan administered by a separate board of trustees.

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

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B1, Baton Rouge, Louisiana 70816, or by calling (225)293-1162.

**TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana**

**Notes to the Financial Statements – Continued
As of and For the Year Ended June 30, 2002 and 2001**

NOTE E – PENSION PLAN - Continued

Plan members are required by state statute to contribute 8.25 percent of their annual covered salary and the Tensas Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 10.0 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (one-half of one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Tensas Parish Clerk of Court are established and may be amended by state statute. As provided by Louisiana Revised Statute 11.103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. Effective July 1, 1999, the Tensas Parish Clerk of Court elected to contribute both the employer and employee contributions to the plan. The Tensas Parish Clerk of Court's contributions to the System for the years ending June 30, 2002, 2001, and 2000, were \$20,929, \$21,020, and \$26,632, respectively, equal to the required contributions for each year.

NOTE F – LEASES

The clerk of court has operating equipment leases at June 30, 2002. The minimum annual commitments under these noncancelable operating leases are as follows:

	<u>Equipment</u>
Fiscal year:	
2003	\$ 7,796
2004	7,146
Total	\$ 14,942

NOTE G - CHANGES IN AGENCY FUND BALANCES

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

	<u>Advance Deposit Fund</u>	<u>Registry of Court Fund</u>	<u>Total</u>
Balance, July 1, 2000	\$ 42,844	\$ 884	\$ 43,728
Additions	125,036	-	125,036
Reductions	118,118	-	118,118
Balance, June 30, 2001	49,762	884	50,646
Additions	127,969	-	127,969
Reductions	115,748	-	115,748
Balance, June 30, 2002	\$ 61,983	\$ 884	\$ 62,867

NOTE H – EXCESS FUND BALANCE

R.S. 13:785 requires that every four years (at the close of the term of office) the clerk of court must pay the parish treasurer the portion of the General Fund's fund balance that exceeds one-half of the revenues of the clerk's last year of his term of office. At June 30, 2002, there was no amount due the parish treasurer.

NOTE I - LITIGATION AND CLAIMS

The Tensas Parish Clerk of Court is not involved in any litigation at June 30, 2002, nor is he aware of any unasserted claims.

**TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana**

**Notes to the Financial Statements – Continued
As of and For the Year Ended June 30, 2002 and 2001**

NOTE J - EXPENDITURES OF THE CLERK OF COURT PAID BY THE PARISH POLICE JURY

The Tensas Parish Clerk of Court's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715, is paid by the Tensas Parish Police Jury.

SUPPLEMENTAL INFORMATION SCHEDULES

**TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana**

**Supplemental Information Schedules
As of and For the Year Ended June 30, 2002 and 2001**

FIDUCIARY FUND TYPE – AGENCY FUNDS

ADVANCE DEPOSIT FUND

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

REGISTRY OF COURT FUND

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

**TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana**

Schedule 1

**Fiduciary Fund Type - Agency Funds
Combining Balance Sheet, June 30, 2002**

	<u>Advance Deposit Fund</u>	<u>Registry of Court Fund</u>	<u>Total</u>
ASSETS			
Cash	\$ 61,983	\$ 884	\$ 62,867
TOTAL ASSETS	<u>\$ 61,983</u>	<u>\$ 884</u>	<u>\$ 62,867</u>
LIABILITIES			
Due to others	\$ 61,983	\$ 884	\$ 62,867
TOTAL LIABILITIES	<u>\$ 61,983</u>	<u>\$ 884</u>	<u>\$ 62,867</u>

The accompanying notes are an integral part of this statement.

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

Schedule 2

Fiduciary Fund Type - Agency Funds
Combining Balance Sheet, June 30, 2001

	<u>Advance Deposit Fund</u>	<u>Registry of Court Fund</u>	<u>Total</u>
ASSETS			
Cash	\$ 49,762	\$ 884	\$ 50,646
TOTAL ASSETS	<u>\$ 49,762</u>	<u>\$ 884</u>	<u>\$ 50,646</u>
LIABILITIES			
Due to others	\$ 49,762	\$ 884	\$ 50,646
TOTAL LIABILITIES	<u>\$ 49,762</u>	<u>\$ 884</u>	<u>\$ 50,646</u>

The accompanying notes are an integral part of this statement.

**TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana**

Schedule 3

**Fiduciary Fund Type - Agency Fund
Combining Schedule of Changes in Unsettled
Balances Due to Taxing Bodies and Others
For the Year Ended June 30, 2002**

	Advance Deposit Fund	Registry of Court Fund	Total
UNSETTLED DEPOSIT DUE TO OTHERS AT BEGINNING OF YEAR	\$ 49,762	\$ 884	\$ 50,646
ADDITIONS			
Deposits in suits	127,226	-	127,226
Interest earned in investments	743	-	743
Total Additions	127,969	-	127,969
Total	177,731	884	178,615
REDUCTIONS			
Clerk's costs (transferred to General Fund)	91,268	-	91,268
Deposits settled to:			
Settlements to litigants	4,535	-	4,535
Appraisers, curators, and keepers	832	-	832
Sheriff's fees	10,351	-	10,351
Other reductions	8,762	-	8,762
Total Reductions	115,748	-	115,748
UNSETTLED DEPOSITS DUE TO OTHERS AT END OF YEAR	\$ 61,983	\$ 884	\$ 62,867

The accompanying notes are an integral part of this statement.

TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana

Schedule 4

Fiduciary Fund Type - Agency Fund
Combining Schedule of Changes in Unsettled
Balances Due to Taxing Bodies and Others
For the Year Ended June 30, 2001

	Advance Deposit Fund	Registry of Court Fund	Total
UNSETTLED DEPOSIT DUE TO OTHERS AT BEGINNING OF YEAR	\$ 42,844	\$ 884	\$ 43,728
ADDITIONS			
Deposits in suits	123,575	-	123,575
Interest earned in investments	1,461	-	1,461
Total Additions	125,036	-	125,036
Total	167,880	884	168,764
REDUCTIONS			
Clerk's costs (transferred to General Fund)	90,658	-	90,658
Deposits settled to:			
Settlements to litigants	9,392	-	9,392
Appraisers, curators, and keepers	1,902	-	1,902
Sheriff's fees	8,341	-	8,341
Other reductions	7,825	-	7,825
Total Reductions	118,118	-	118,118
UNSETTLED DEPOSITS DUE TO OTHERS AT END OF YEAR	\$ 49,762	\$ 884	\$ 50,646

The accompanying notes are an integral part of this statement.

**INDEPENDENT AUDITOR'S REPORT AND OTHER SCHEDULES
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Years Ended June 30, 2002 and 2001

A. Summary of Audit Results

- The auditor's report expresses an unqualified opinion on the general-purpose financial statements of the Tensas Parish Clerk of Court.
- A reportable condition in internal control disclosed during the audit of the general-purpose financial statements is reported in the Report on Compliance and on Internal Control over Financial Reporting Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards. The condition is reported as a material weakness. (See 2002-1 in part B of this Schedule)
- There was one instance of noncompliance material to the general purpose financial statements which was disclosed during the audit and reported in the Report on Compliance and on Internal Control over Financial Reporting Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards. (See 2002-2 in Part B of this Schedule)

B. Findings – Financial Statement Audit

2002-1 SEPARATION OF DUTIES

Due to the size of the Clerk of Court's accounting staff, there is an insufficient segregation of duties to have an effective internal control.

Since the cost of an internal control system should not outweigh the benefits derived from it, we can not recommend that additional personnel be added, and have no recommendation to make in this area.

Management of the Clerk of Court concurs with the findings. However, due to staff limitations, no action will be taken at this time.

2002-2 BUDGET AMENDMENTS

Louisiana Statutes require that the Clerk of Court amend his operating budget when:

- (1) Total revenue and other sources plus projected revenue and other sources for the remainder of the year, within a fund, are failing to meet total budgeted revenues and other sources by five percent or more.
- (2) Total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more.
- (3) Actual beginning fund balance, within a fund, fails to meet estimated beginning fund balance by five percent or more and fund balance is being used to fund current year expenditures.

For the year ended June 30, 2001, the Clerk of Court met requirement (1) above and the budget was not amended.

We recommend that management of the Clerk of Court more closely monitor budget to actual statements during the year and comply with this requirement.

Management of the Clerk of Court concurs with the finding and the recommendations will be implemented immediately.

**TENSAS PARISH CLERK OF COURT
St. Joseph, Louisiana**

Schedule 6

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Years Ended June 30, 2002 and 2001**

INTERNAL CONTROL FINDINGS

2000-1 SEPARATION OF DUTIES

Condition: Due to the size of the Clerk of Court's accounting staff, there is an insufficient segregation of duties to have an effective internal control.

Current status: This finding still applies and is noted in the current audit for the year ending June 30, 2002. (See current finding noted as 2002-1.)

COMPLIANCE FINDINGS

No compliance findings were noted for the year ended June 30, 2000

ERNEST SIKES
 CLERK OF SIXTH JUDICIAL DISTRICT COURT
 TENSAS PARISH


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**Corrective Action Plan for
 Current Year Audit Findings
 For the Two Years Ended June 30, 2002**

Ref No.	Description of Finding	Corrective Action Planned	Name(s) of Contact Person(s)	Anticipated Completion Date
2002-1	Separation of Duties	Not feasible at this time due to staff and budget limitations.	Ernest Sikes	N/A
2002-2	Budget Amendments	The budget will be closely reviewed and amended in accordance with Louisiana Statutes	Ernest Sikes	Immediately

The above corrective action plan addresses the auditor's current year findings. If you need additional information concerning the corrective action plan, please feel free to contact me.


 Ernest Sikes, Clerk of Court

Waguespack & Gallagher, LLC

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

We have audited the general-purpose financial statements of Tensas Parish Clerk of Court, component unit of Tensas Parish Police Jury, as of and for the two years ended June 30, 2002, and have issued our report thereon dated September 6, 2002. 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, and Louisiana Governmental Audit Guide issued by the Louisiana Legislative Auditor and the Louisiana Society of Certified Public Accountants.

Compliance

As part of obtaining reasonable assurance about whether Tensas Parish Clerk of Court'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 one instance of noncompliance that is required to be reported under Government Auditing Standards which is described in the accompanying schedule of findings and questioned costs as item 2002-2.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Tensas Parish Clerk of Court's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operations that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Tensas Parish Clerk of Court's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as item 2002-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider item 2002-1 to be a material weakness.

This report is intended for the information of the management of Tensas Parish Clerk of Court, the Legislative Auditor and interested state and federal agencies. However, this report is a matter of public record and its distribution is not limited.

Waguespad + Galtsoff, LLC

September 6, 2002