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**TWENTY-FOURTH JUDICIAL DISTRICT COURT
DOMESTIC RELATIONS SECTION EXPENSE FUND
BATON ROUGE, LOUISIANA**

AUDITED FINANCIAL STATEMENTS

Year ended December 31, 1987

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the auditor, or reviewed, entity and other appropriate public officials. This 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 MAY 27 1988

TWENTY-FOURTH JUDICIAL DISTRICT COURT
DOMESTIC RELATIONS SECTION EXPENSE FUND
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INDEPENDENT AUDITORS' REPORT

To the Judges of the
Twenty-Fourth Judicial District Court
Gretna, Louisiana

We have audited the accompanying financial statements of the Domestic Relations Section Expense Fund of the Twenty-Fourth Judicial District Court, a component unit of Jefferson Parish, Louisiana, as of and for the year ended December 31, 1997. These component unit financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these component unit financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the component unit financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the component unit financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall component unit financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the component unit financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Domestic Relations Section Expense Fund of the Twenty-Fourth Judicial District Court, a component unit of Jefferson Parish, Louisiana, as of December 31, 1997, and the results of that Fund's operations for the year then ended in conformity with generally accepted accounting principles.

To the Judges of the
Twenty-Fourth Judicial District Court
Page 3

In accordance with *Government Auditing Standards*, we have also issued a report dated April 9, 1998, on our consideration of the Domestic Relations Section Expense Fund of the Twenty-Fourth Judicial District Court's compliance and internal control over financial reporting.

Kushner LaFayette, L.L.P.

Metairie, Louisiana
April 9, 1998

TWENTY-FOURTH JUDICIAL DISTRICT COURT
DOMESTIC RELATIONS SECTION EXPENSE FUND
 COMBINED BALANCE SHEET - GOVERNMENTAL FUND TYPE
 AND GENERAL FIXED ASSETS ACCOUNT GROUP
 December 31, 1997

	General Fund	General Fixed Assets Account Group	Total (Memorandum Only)
ASSETS			
Cash	\$ 84,658	\$ 0	\$ 84,658
Due from Clerk of Court	1,190	0	1,190
Equipment	<u>0</u>	<u>5,215</u>	<u>5,215</u>
	<u>\$ 85,848</u>	<u>\$ 5,215</u>	<u>\$ 91,063</u>
LIABILITIES, EQUITY AND OTHER CREDITS			
LIABILITIES			
Due to Parish of Jefferson - General Fund	\$247,198	\$ 0	\$ 247,198
Total Liabilities	247,198	0	247,198
EQUITY AND OTHER CREDITS			
Investment in general fixed assets	0	5,215	5,215
Fund deficit	<u>(181,350)</u>	<u>0</u>	<u>(181,350)</u>
Total Equity and Other Credits	<u>(181,350)</u>	<u>5,215</u>	<u>(176,135)</u>
	<u>\$ 85,848</u>	<u>\$ 5,215</u>	<u>\$ 91,063</u>

TWENTY-FOURTH JUDICIAL DISTRICT COURT
DOMESTIC RELATIONS SECTION EXPENSE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND DEFICIT
GOVERNMENTAL FUND TYPE
Year Ended December 31, 1997

	GENERAL FUND
REVENUES	
Clerk of Court - domestic filing fees	4 56,290
Domestic support enforcement fees	101,878
Case printout fees	150
TOTAL REVENUES	158,408
EXPENDITURES	
Current - general government	
Bank charges	600
Consulting fees	4,150
Postage	104
Salaries	128,230
TOTAL EXPENDITURES	133,084
EXCESS OF REVENUES OVER EXPENDITURES	25,319
OTHER FINANCING SOURCES	
Interest	347
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	25,666
FUND DEFICIT AT BEGINNING OF YEAR	(297,016)
FUND DEFICIT AT END OF YEAR	\$ (181,350)

**TWENTY-FOURTH JUDICIAL DISTRICT COURT
DOMESTIC RELATIONS SECTION EXPENSE FUND**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND DEFICIT
- GOVERNMENTAL FUND TYPE BUDGET (BUDGETARY BASIS) AND ACTUAL
December 31, 1997

	GENERAL FUND				
	Actual	Adjustment to Budgetary Basis	Actual On Budgetary Basis	Budget	Variance Favorable (Unfavor- able)
REVENUES					
Clerk of Court - domestic filing fees	\$ 56,250	\$ 0	\$ 56,250	\$ 55,000	\$ 1,250
Domestic support enforcement fees	101,376	0	101,376	90,000	11,376
Case printout fees	150	0	150	150	0
Total Revenue	158,406	0	158,406	145,150	13,256
EXPENDITURES					
Current - general government					
Bank charges	600	0	600	1,500	900
Consulting fees	4,150	0	4,150	4,200	50
Postage	104	0	104	104	0
Salaries	128,233	0	128,233	127,601	(732)
Total Expenditures	133,087	0	133,087	133,305	218
EXCESS OF REVENUES OVER EXPENDITURES	25,319	0	25,319	11,845	13,474
OTHER FINANCING SOURCES					
Interest	242	0	242	350	108
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	25,660	0	25,660	\$ 12,195	\$ 13,471
FUND DEFICIT AT BEGINNING OF YEAR	(1202,018)	0	(1202,018)		
FUND DEFICIT AT END OF YEAR	\$ 1181,350	\$ 0	\$ 1181,350		

TWENTY-FOURTH JUDICIAL DISTRICT COURT
DOMESTIC RELATIONS SECTION EXPENSE FUND
NOTES TO FINANCIAL STATEMENTS
December 31, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of the Twenty-Fourth Judicial District Court Domestic Relations Section Expense Fund (the Fund) is presented to assist in understanding the Fund's financial statements. The financial statements and notes are representations of the management of the Fund, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles as applied to governmental units, and have been consistently applied in the preparation of the financial statements. The Governmental Accounting Standards Board is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Financial Reporting Entity

As provided by Revised Statutes 48:228.5, the Fund was created for the purpose of expediting the process for the establishment and enforcement of support obligations under the jurisdiction of the Twenty-Fourth Judicial District Court (Domestic Relations Section).

As required by Generally Accepted Accounting Principles, the financial statements of the reporting entity present the primary government and its component units. The accompanying financial statements present only the Fund which is a component unit of Jefferson Parish, Louisiana (The Primary Government).

The Fund is a component unit of the Parish of Jefferson because it is considered to be fiscally dependent on Jefferson Parish. The significant factors for inclusion are: The Parish of Jefferson is responsible for funding deficits and the Fund serves residents of the Parish of Jefferson.

TWENTY-FOURTH JUDICIAL DISTRICT COURT
DOMESTIC RELATIONS SECTION EXPENSE FUND
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting

The accounts of the Fund are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of a fund are accounted for with a separate set of self-balancing accounts which are maintained for the purpose of carrying on special activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The fund has the following fund type and account group:

1. **Governmental Fund - General Fund** - The General Fund is the general operating fund of the Fund. It is used to account for all financial resources.
2. **Account Group - General Fixed Assets Account Group** - This account group is established to account for all fixed assets of the Fund.

Basis of Accounting

The modified accrual basis of accounting is used by governmental fund types and agency funds. Under this method, 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 pay liabilities within the current period.

Revenues are considered measurable and available when received by the Clerk of Court or by the Fund within 60 days after the current year ended. Expenditures are generally recorded when the liability is incurred.

TWENTY-FOURTH JUDICIAL DISTRICT COURT
DOMESTIC RELATIONS SECTION EXPENSE FUND
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Accounting

The administration of the Fund prepares an annual budget for the General Fund. The budget is legally enacted and amended through an en banc meeting of the judges. The budget is prepared primarily on the modified accrual basis of accounting, except that losses resulting from claims and litigation are recorded when paid instead of when the liability arises.

The accompanying Statement of Revenues, Expenditures, and Changes in Fund Deficit-Governmental Fund Type - Budget (Budgetary Basis) and Actual presents comparisons of the legally adopted budget with actual data on the budgetary basis. Budgeted amounts are as originally adopted or as finally amended by the judges.

Encumbrances

Encumbrance accounting is used in the Fund to assure budgetary control. Encumbrances outstanding at year end are reported as reservations of fund balance (deficit) in the Fund. There were no encumbrances at December 31, 1997.

Annual and Sick Leave

Annual and sick leave are not accrued in the Fund, as the amount left unpaid at the end of the calendar year would not be liquidated with expendable available financial resources. Any unpaid portion relating to the Fund at December 31, 1997, was accounted for in the General Long-Term Debt Account Group of the Parish of Jefferson.

General Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are recorded in the General Fixed Assets Account Group, rather than in governmental funds. Depreciation is not recorded on general fixed assets.

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 donated. There were no changes in General Fixed Assets for the year ended December 31, 1997.

TWENTY-FOURTH JUDICIAL DISTRICT COURT
DOMESTIC RELATIONS SECTION EXPENSE FUND
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 1997

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Total Columns on Combined Statements

The total column on the combined statement is captioned "Memorandum Only" to indicate that they are presented to facilitate financial analysis. Data in these columns does not present financial position in conformity with generally accepted accounting principles.

NOTE 2 - CASH DEPOSITS

At December 31, 1997, the carrying amount of the Fund's deposits was \$64,858 and the bank balance was \$117,290, of which \$100,000 was covered by federal depository insurance and \$17,290 was collateralized with securities held by the pledging financial institution's agent in the Fund's name.

NOTE 3 - DUE TO PARISH OF JEFFERSON - GENERAL FUND

The 1997 operating budget of the Parish of Jefferson includes the Twenty-Fourth Judicial District Court Domestic Relations Section Expense Fund for 1997. Under the provisions of Ordinance No. 17174 the general fund of the Parish of Jefferson was authorized to advance funds to the Twenty-Fourth Judicial District Court Domestic Relations Section Expense Fund for initial startup and operation. The funds advanced are to be paid back to the Parish of Jefferson general fund over a 10-year period. For the year ended December 31, 1997, the Parish of Jefferson's general fund included in its payroll three employees of the Fund. The total payroll and related expenses incurred by the Parish of Jefferson's general fund under this agreement for the year ended December 31, 1997, was \$128,233 and is reported in the amount shown as Due to Parish of Jefferson-General Fund in the accompanying Combined Balance Sheet - Governmental Fund Type.

TWENTY-FOURTH JUDICIAL DISTRICT COURT
DOMESTIC RELATIONS SECTION EXPENSE FUND
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 1987

NOTE 4 - DEFICIT FUND BALANCE - GENERAL FUND

The deficit fund balance of \$181,360 as of December 31, 1987, is a result of the funds advanced in 1987 by the Parish of Jefferson's general fund, and is reported as a liability in the amount shown as Due to Parish of Jefferson - General Fund in the accompanying Combined Balance Sheet Fund (see Note 3). The Parish of Jefferson is responsible for funding deficits of the Fund.

Kushner LaGrange, 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

To the Judges of the
Twenty-Fourth Judicial District Court
Gretna, Louisiana

We have audited the financial statements of the Domestic Relations Section Expense Fund of the Twenty-Fourth Judicial District Court (the Fund), a component unit of Jefferson Parish, Louisiana, as of and for the year ended December 31, 1997, and have issued our report thereon dated April 9, 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 Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these 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*.

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
- CONTINUED

To the Judges of the
Twenty-Fourth Judicial District Court

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Fund'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. 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, if 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. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.

Kushner LaFayette, L.L.P.

Metairie, Louisiana
April 9, 1998