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**DISTRICT ATTORNEY OF THE  
TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA**

*Financial Report,  
Internal Control and Compliance Reports*

*December 31, 1999*

Under provisions of state law, this report is a public document. A copy of this report shall be submitted to the entity and shall be available to all 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 26 2000



***DISTRICT ATTORNEY OF THE  
TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA***

*Financial Report,  
Internal Control and Compliance Reports*

*December 31, 1999*

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**TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA**

*Financial Report,  
Internal Control and Compliance Reports*

*December 31, 1999*

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***FINANCIAL SECTION***



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# STAGNI & COMPANY, LLC

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## *INDEPENDENT AUDITOR'S REPORT*

Honorable Harry J. Morel, Jr.  
District Attorney of the Twenty-Ninth Judicial District  
St. Charles Parish, Louisiana

We have audited the accompanying general-purpose financial statements of the District Attorney of the Twenty-Ninth Judicial District, St. Charles Parish, Louisiana, as of and for the year ended December 31, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the District Attorney of the Twenty-Ninth Judicial District, St. Charles Parish, Louisiana'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 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 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 District Attorney of the Twenty-Ninth Judicial District, St. Charles Parish, Louisiana as of December 31, 1999, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles. Our audit was conducted for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The supplemental schedules and information in the table of contents are resented for additional analysis and are not a required part of the general purpose financial statements of the District Attorney of the Twenty-Ninth Judicial District, St. Charles Parish. 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 presented in all material respects in relation to the general purpose financial statements taken as a whole.

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Honorable Harry J. Morel, Jr.  
District Attorney of the Twenty-Ninth Judicial District  
St. Charles Parish, Louisiana  
Page 2

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2000 on our consideration of the District Attorney of the Twenty-Ninth Judicial District, St. Charles Parish, Louisiana'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.

*Stagni & Company*

Thibodaux, Louisiana  
June 14, 2000



**DISTRICT ATTORNEY OF THE TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA**

**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**

DECEMBER 31, 1999

	Governmental Funds		Fiduciary Fund		Account Groups		Total (Memorandum Only)
	General	Special Revenue	Agency	General Fixed Assets	General Long-Term Debt		
<b>ASSETS AND OTHER DEBITS</b>							
Cash and cash equivalents	\$ 145,191	\$ 595,690	\$ 12,868				\$ 753,749
Investments	9,643	90,719					100,362
Receivables:							
Collection Fees		2,380					2,380
Commissions on fines and forfeitures		33,782					33,782
Due from other governmental units	20,982	88,906					109,888
Due from other funds	2,502	52,393					54,895
Fixed Assets:							
Automobiles				\$ 26,382			26,382
Equipment				219,358			219,358
Office additions				23,941			23,941
Office furnishings				7,382			7,382
Amount to be provided for capital lease				18,396	\$ 13,508		31,904
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 178,318</b>	<b>\$ 863,870</b>	<b>\$ 12,868</b>	<b>\$ 295,459</b>	<b>\$ 13,508</b>		<b>\$ 1,364,023</b>
<b>LIABILITIES AND FUND EQUITY</b>							
Liabilities:							
Accounts payable	\$ 4,217	\$ 8,383					\$ 12,600
Payroll taxes and retirement payable	42,601						42,601
Due to other governments	1,371	63,151	\$ 12,868				77,390
Due to other funds	38,905	15,990					54,895
Capital lease obligation					\$ 13,508		13,508
Total liabilities	<u>87,094</u>	<u>87,524</u>	<u>12,868</u>		<u>13,508</u>		<u>200,994</u>
Fund Equity:							
Investment in general fixed assets				\$ 295,459			295,459
Fund balances - unreserved and undesignated	\$ 91,224	\$ 776,346					867,570
Total fund equity	<u>91,224</u>	<u>776,346</u>					<u>1,163,029</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 178,318</b>	<b>\$ 863,870</b>	<b>\$ 12,868</b>	<b>\$ 295,459</b>	<b>\$ 13,508</b>		<b>\$ 1,364,023</b>

The accompanying notes are an integral part of this statement.

**DISTRICT ATTORNEY OF THE TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED DECEMBER 31, 1999

	General	Special Revenue	Totals (Memorandum Only)
<b>Revenues</b>			
Charges for services:			
Commissions on fines and forfeitures	\$ 71,349	\$ 260,426	\$ 331,775
Probation fees		42,938	42,938
Assets forfeited	11,492		11,492
Bail bonds forfeited	4,206		4,206
Worthless check fees		11,481	11,481
Intergovernmental	4,504	458,383	462,887
Interest and miscellaneous	5,431	8,527	13,958
Total revenues	<u>96,982</u>	<u>781,755</u>	<u>878,737</u>
<b>Expenditures</b>			
Current:			
General government:			
Salaries and related benefits	20,542	419,088	439,630
Telephone and utilities	14,194	9,124	23,318
Professional services	7,250	3,770	11,020
Repairs and maintenance	3,139	6,542	9,681
Automobile	6,889	1,786	8,675
Meetings	1,040	6,136	7,176
Dues and subscriptions	2,653	13,161	15,814
Insurance	350	6,304	6,654
Office supplies	24,556	23,464	48,020
Travel and conventions	503	86,543	87,046
Case expenditures	1	1,528	1,529
Rent	3,600	9,000	12,600
Intergovernmental		31,151	31,151
Capital outlay:			
Equipment	2,115	15,150	17,265
Debt service:			
Principal	5,441	1,601	7,042
Interest	911	658	1,569
Total expenditures	<u>93,184</u>	<u>635,006</u>	<u>728,190</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>3,798</b>	<b>146,749</b>	<b>150,547</b>
FUND BALANCES at beginning of year	87,426	629,597	717,023
FUND BALANCES at end of year	<u>\$ 91,224</u>	<u>\$ 776,346</u>	<u>\$ 867,570</u>

The accompanying notes are an integral part of this statement.

**DISTRICT ATTORNEY OF THE TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
- BUDGET AND ACTUAL - GENERAL FUND  
For the Year Ended December 31, 1999**

	Budget	Actual	Variance - Favorable (Unfavorable)
<b>Revenues</b>			
Charges for services:			
Commissions on fines and forfeitures	\$ 68,570	\$ 71,349	\$ 2,779
Bail bonds forfeited	-	4,206	4,206
Assets forfeited	11,492	11,492	-
Intergovernmental	7,980	4,504	(3,476)
Interest and miscellaneous	5,309	5,431	122
Total revenues	93,351	96,982	3,631
<b>Expenditures</b>			
Current:			
General government:			
Salaries and related benefits	19,768	20,542	(774)
Telephone and utilities	13,531	14,194	(663)
Professional services	7,250	7,250	-
Maintenance and repairs	3,639	3,139	500
Automobile	6,684	6,889	(205)
Meetings	736	1,040	(304)
Dues and subscriptions	2,953	2,653	300
Insurance	350	350	-
Office supplies	22,142	24,556	(2,414)
Travel and conventions	1,003	503	500
Case expenditures	1	1	0
Rent	3,600	3,600	0
Capital outlay:			
Equipment	2,144	2,115	29
Debt service:			
Principal	5,405	5,441	(36)
Interest	947	911	36
Total expenditures	90,153	93,184	(3,031)
<b>Excess (Deficiency) Of Revenues Over Expenditures</b>	3,198	3,798	600
FUND BALANCES at beginning of year	87,426	87,426	-
FUND BALANCES at end of year	\$ 90,624	\$ 91,224	\$ 600

The accompanying notes are an integral part of this statement.

**DISTRICT ATTORNEY OF THE TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL -  
SPECIAL REVENUE FUNDS**

For the Year Ended December 31, 1999

	Budget	Actual	Variance - Favorable (Unfavorable)
<b>Revenues</b>			
Charges for services:			
Commissions on fines and forfeitures	\$ 241,162	\$ 260,426	\$ 19,264
Probation fees	39,821	42,938	3,117
Worthless check fees	11,601	11,481	(120)
Intergovernmental	374,586	458,383	83,797
Interest and miscellaneous	7,422	8,527	1,105
Total revenues	674,592	781,755	107,163
<b>Expenditures</b>			
Current:			
General government:			
Salaries and related benefits	406,768	419,088	(12,320)
Telephone and utilities	12,866	9,124	3,742
Professional services	4,870	3,770	1,100
Repairs and maintenance	4,100	6,542	(2,442)
Automobile	905	1,786	(881)
Meetings	6,636	6,136	500
Dues and subscriptions	12,736	13,161	(425)
Insurance	6,464	6,304	160
Office expense	22,205	23,464	(1,259)
Travel and conventions	91,006	86,543	4,463
Case expenditures	9,528	1,528	8,000
Rent	9,500	9,000	500
Intergovernmental	31,151	31,151	-
Capital outlay:			
Equipment	28,613	15,150	13,463
Debt Service			
Principal	3,500	1,601	1,899
Interest		658	(658)
Total expenditures	650,848	635,006	15,842
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	23,744	146,749	123,005
FUND BALANCES at beginning of year	556,746	629,597	72,851
FUND BALANCES at end of year	580,490	\$ 776,346	\$ 195,856

The accompanying notes are an integral part of this statement.

***DISTRICT ATTORNEY OF THE  
TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA***

NOTES TO FINANCIAL STATEMENTS

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

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the District Attorney has charge of every criminal prosecution by the state in his district, is the representative of the state before the grand jury in his District, and is the legal advisor to the grand jury. He performs other duties as provided by law. The qualified electors of the Judicial District elect the District Attorney for a term of six years. The Judicial District encompasses the Parish of St. Charles, Louisiana.

**A.      Basis of Presentation**

The accompanying financial statements of the District Attorney of the Twenty-Ninth Judicial District 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.

**B.      Reporting Entity**

For financial reporting purposes, in conformance with GASB Codification Section 2100, the District Attorney is a part of the district court system of the State of Louisiana. The GASB has established several criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Since, The District Attorney of the Twenty-Ninth Judicial District, St. Charles Parish, Louisiana is an independently elected official, is legally separate and fiscally independent, the District Attorney of the Twenty-Ninth Judicial District is a separate governmental reporting entity. There are unrecorded financial transactions between the St. Charles Parish Council (the Council) and the District Attorney where the Council provides certain operating expenditures for the District Attorney.

***DISTRICT ATTORNEY OF THE  
TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA***

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

*Note 1*      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

A.      Reporting Entity, (Continued)

Financial accountability is determined by applying criteria established by the GASB as listed below:

- Financial benefit or burden
- Appointment of a voting majority
- Imposition of will
- Fiscally dependent

The above identified transactions between the District Attorney and the Parish Council are mandated by state statute and do not reflect fiscal dependency; thereby, they do not reflect financial accountability. The other three criteria of financial accountability do not pertain to the District Attorney of the Twenty-Ninth Judicial District when applying them as a means of identifying potential component units of the St. Charles Parish Council.

The District Attorney of the Twenty-Ninth Judicial District, St. Charles Parish, Louisiana, includes all funds, account groups and activities, et cetera, that are within the oversight responsibility of the District Attorney. Other local governmental units over which the District Attorney exercises no oversight responsibility are excluded from the accompanying financial statements. These units are considered separate reporting entities and issue financial statements separate from those of the parish District Attorney.

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

***DISTRICT ATTORNEY OF THE  
TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA***

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

***NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

C.      Fund Accounting

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

Governmental funds account for the District Attorney's general activities, including the collection and disbursement of specific or legally restricted monies, and the acquisition of general fixed assets. The District Attorney's governmental funds include:

General Fund - The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that 12 per cent of the fines collected and bonds forfeited be transmitted to the District Attorney to defray the necessary expenses of his office.

Special Revenue Funds:

Title IV-D Reimbursement Fund - The Title IV-D Reimbursement Special Revenue Fund consists of incentive payments and reimbursement grants from the Louisiana Department of Social Services, authorized by Act 117 of 1975, to establish family and child support programs compatible with Title IV-D of the Social Security Act. The purpose of the fund is to enforce the support obligation owed by absent parents to their families and children, to locate absent parents, to establish paternity, and to obtain family and child support.

Title IV-D Incentive Fund - The Title IV-D Incentive Fund is used to account for payments received from the Louisiana Department of Health and Human Resources which consist of 15 per cent of all amounts collected and required to be distributed, as provided in Section 456 of the Social Security Act, to reduce or repay assistance payments.

***DISTRICT ATTORNEY OF THE  
TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA***

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

*Note 1*      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

C.      Fund Accounting (Continued)

Special Revenue Funds: (Continued)

Title IV-D Child Support Fund – Prior to July 1, 1998 the above two IV-D funds were accounted for separately due to the percentage of the reimbursements accorded to each fund. Beginning July 1, 1998 these two funds were combined and accounted for as one fund.

Drug Enforcement Fund - The Twenty-Ninth Judicial District, District Attorney receives funds as a sub-grantee under the Louisiana Commission on Law Enforcement and Administration of Criminal Justice. The grant is authorized by the Omnibus Crime Control and Safe Streets Act of 1968 as provided under P.L.90: 351 as amended. The District Attorney's office is the applicant agency and has the responsibility for all project administrative and financial matters. The project is a joint project between the District Attorney's Office and the St. Charles Parish Sheriff's Office. The two offices will collaborate in the joint project aimed at identifying, arresting, and prosecuting mid-level drug traffickers who affect the Parish of St. Charles, State of Louisiana. The grant provides for federal funds of 73.61% and a local cash match of 26.39%. The grant operates under grant calendar years and funds are disbursed throughout the duration of the project regardless of the grant year.

Court Cost Fund - The Court Cost Fund is used to account for all fees collected in accordance with Louisiana Revised Statute 16:16, which authorizes the collection of an amount not to exceed \$10.00 from every defendant who is convicted after trial or other plea of guilty or who forfeits his bond. These costs are to be in addition to all other fines, costs, or forfeitures imposed by law.

***DISTRICT ATTORNEY OF THE  
TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA***

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

*Note 1*      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

C.      Fund Accounting (Continued)

Special Revenue Funds: (Continued)

Worthless Checks Fund -      The Worthless Check Collection Fee Special Revenue Fund consists of fees collected in accordance with Louisiana Revised Statute 16:15, which provides for a specific fee whenever the District Attorney's office collects and processes a worthless check. Expenditures from this fund are at the sole discretion of the District Attorney and may be used to defray the salaries and the expenses of the office of the District Attorney, but may not be used to supplement the salary of the District Attorney.

Pre-Trial Intervention Fund - The Pre-Trial Intervention Fund accounts for a program that handles cases that the District Attorney's Office feels would be better served out of the court system. These cases consist of people charged with misdemeanors, traffic tickets, or minor felonies. The offenders agree to serve a probation period rather than entering the court system and having a criminal conviction on their record. The revenues are generated through fees paid by the offenders placed in this program. The expenditures will consist of salaries of investigators assigned to this program and various office expenditures.

Misdemeanor Probation -- The Misdemeanor Probation Fund accounts for a fees collected for misdemeanor probation to monitor the probation period for offender.

***DISTRICT ATTORNEY OF THE  
TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA***

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

***NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

C.      Fund Accounting (Continued)

Agency Funds

Agency funds are used to account for assets held by the District Attorney for other funds and/or other governments. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Agency funds of the District Attorney include the Special Asset Forfeiture Fund - The Special Asset Forfeiture Fund is used to account for monies and proceeds from the sale of property seized or obtained by judgment or settlement as a result of drug-related activities.

Account Groups

General Fixed Asset Account Group - Fixed assets used in the District Attorney's office (governmental fund type operations) are accounted for in the general fixed asset account group, rather than in the governmental funds. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available. The District Attorney's fixed assets purchased through the General Fund and Criminal Court Fund of the St. Charles Parish Council are maintained and included in the general fixed asset account group of the governing authority.

General Long-Term Debt Account Group - Unmatured general long-term liabilities expected to be financed from the governmental funds of the District Attorney's office are accounted for in the general long-term debt account group, rather than in the governmental funds.

The General Fixed Asset Account Group and the Long Term Debt Account Group are not "funds". They are concerned only with the measurement of financial position, not with the measurement of results of operations.

***DISTRICT ATTORNEY OF THE  
TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA***

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

***NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

**D.      Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resource's measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds and the agency fund. These funds record revenues and expenditures using the following practices:

Revenues

Commissions on fines and forfeitures are recorded in the year they are collected by the tax collectors.

Grants are recorded when the District Attorney is entitled to the funds.

Interest on investments is recorded when the investments have matured and the income is available.

All other revenues are recorded when received.

Expenditures

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

**E.      Budget Practices**

The District Attorney adopts budgets for the General Fund and Special Revenue Funds. The District Attorney prepared the budget on a modified accrual basis of accounting. Budget amounts included in the accompanying financial statements include original adopted budget amounts and all subsequent amendments

***DISTRICT ATTORNEY OF THE  
TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA***

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

***NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

**F.      Encumbrances**

Encumbrances represent commitments related to unperformed contracts for goods or services. The District Attorney's office does not use an encumbrance system.

**G.      Cash, Cash Equivalents, and Investments**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District Attorney 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 their principal offices in Louisiana. Under state law, the District Attorney may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. These deposits are stated at cost, which approximates market.

**H.      Receivables**

The receivable amounts are made up of fines and fees collected by other governments to be remitted to the District Attorney's Office and amounts due on reimbursement grants. No reserve for uncollectables is considered necessary for these receivables.

**I.      Prepaid Expenditures**

Prepaid expenditures result from prepayment for a benefit that is expected to be received within the following period.

***DISTRICT ATTORNEY OF THE  
TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA***

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

***NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

**J.      Fixed Assets**

General fixed assets are not capitalized in the governmental funds used to acquire them. Instead, capital acquisition is reflected as an expenditure in the governmental funds, and the related assets are reported in the general fixed asset account group. All purchased fixed assets by the District Attorney are valued at acquisition cost. All other fixed assets used in the District Attorney's office are provided by the St. Charles Parish Council and are accounted for in the general fixed asset account group of the Council.

**K.      Long-Term Debt**

Long-term obligations expected to be financed from the General Fund are reported in the general long-term debt account group. Expenditures for principal and interest payments for long-term obligations are recognized in the General Fund when due.

**L.      Compensated Absences**

The District Attorney has a formal written policy for vacation and sick leave. Present clerical employees are allowed to take 10 to 15 days vacation based on length of service, and 10 days sick leave each year. On December 1st, employees are paid at their current earnings rate for any unused vacation. Sick leave cannot be accumulated and is forfeited at termination of employment. Assistant District Attorneys and investigators are not included in this formal leave policy. At December 31, 1999 there were no material accumulated leave benefits required to be reported in accordance with GASB Codification Section C60.

**M.      Interfund Transactions**

Quasi-external transactions are accounted for as revenues or expenditures. Interfund transactions on the other hand are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

***DISTRICT ATTORNEY OF THE  
TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA***

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

***NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***

M.      Fund Equity

Reserves

Reserves represented those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

N.      Total Columns on Financial Statements

The total columns on the general-purpose financial 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 or results of operations 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 2      DEPOSITS (INCLUDING INVESTMENTS)***

At December 31, 1999, the District Attorney has cash and cash equivalents and investments (book balances) as follows:

	<b>Bank Balances</b>	<b>Book Balances</b>
Demand deposits	\$ 768,456	\$ 774,468
Certificates of deposit	79,643	79,643
<b>TOTAL</b>	<b>\$848,099</b>	<b>\$854,111</b>

These deposits are stated at cost, which approximates the 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.

**DISTRICT ATTORNEY OF THE  
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ST. CHARLES PARISH, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**NOTE 2**      **DEPOSITS (INCLUDING INVESTMENTS)- (Continued)**

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. 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. At December 31, 1999, the District Attorney's \$848,099 in deposits (bank balances) are secured from risk by \$279,108 of federal deposit insurance (risk category 1) and \$664,781 of pledged securities (risk category 2).

**NOTE 3**      **CHANGES IN GENERAL FIXED ASSETS**

A summary of changes in general fixed assets follows:

	Balance January 1, 1999	Additions	Deductions	Balance December 31, 1999
Autos	\$ 26,382			\$ 26,382
Equipment	202,093	\$17,265		219,358
Office Furnishings	7,382			7,382
Office Improvements	23,941			23,941
Leased Equipment	18,396			18,396
<b>TOTAL</b>	<b>\$ 278,194</b>	<b>\$ 17,265</b>		<b>\$ 295,459</b>

**NOTE 4**      **LONG TERM DEBT – CAPITAL LEASES**

The following is a summary of changes in long-term obligations of the St. Charles Parish District Attorney's office as of December 31, 1999:

	Balance January 1, 1999	Additions	Reductions	Balance December 31, 1999
Capital leases	\$ 20,549	\$ 0	\$ 7,041	\$ 13,508

***DISTRICT ATTORNEY OF THE  
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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

***NOTE 4      LONG TERM DEBT – CAPITAL LEASES (Continued)***

The St. Charles Parish District Attorney's office has entered into two capital lease agreements for financing the acquisition of a copy machine and telephone system. The lease agreements qualify as capital leases; therefore, the copy machine and telephone system have been recorded at the present value of the future minimum lease payments as of the date of their inception.

The following the cost of equipment leased under a capital lease as of December 31, 1999, recorded in the General Fixed Assets Account Group:

Xerox-Copy Machine	\$ 15,159
AT & T Telephone System	<u>5,390</u>
Total	<u>\$ 20,549</u>

The following is a schedule of future minimum lease payments under the capital lease agreement and the present value of the net minimum lease payments:

<u>Year Ending December 31,</u>	<u>General Long Term Debt</u>
2000	9,772
2001	3,419
2002	<u>1,687</u>
Total minimum lease payments	14,878
Less: Amount representing interest	<u>1,370</u>
Present value of minimum lease payments	<u>\$13,508</u>

The amount of principal paid in 1999 on the Xerox leases for the copy machine was \$5,441 by the general fund, and \$475 was paid by the Court Cost Fund. The amount of principal paid in 1999 on the AT & T lease for the IV-D & Child Support office telephone system was \$1,126.

***DISTRICT ATTORNEY OF THE  
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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

***NOTE 5***      ***PENSION PLANS***

All individuals who work at the District Attorney's offices are members of the Parochial Employees Retirement System through the St. Charles Parish Council. The District Attorney and the assistant District Attorneys are members of the Louisiana District Attorneys Retirement System. GASB requires certain disclosure for employers who maintain retirement plans for their employees. All individuals at the District Attorney's office are compensated by others who disclose the required retirement plan information in their separately issued financial statements. Both retirement plans mentioned above are administered and controlled by separate boards of trustees.

***NOTE 6***      ***LITIGATION***

At December 31, 1999, there is no litigation pending against the District Attorney that is susceptible to accrual in accordance with statements of Financial Accounting Standards No. 5.

***NOTE 7***      ***EXPENDITURES OF THE DISTRICT ATTORNEY NOT INCLUDED IN THE  
FINANCIAL STATEMENTS***

The accompanying financial statements do not include certain expenditures of the District Attorney for the year ended December 31, 1999, paid out of funds of the criminal court, the St. Charles Parish Council, or directly by the State. The salaries of the District Attorney and the assistant District Attorneys are paid by the state and the St. Charles Parish Council. The salaries of the office staff are paid by the St. Charles Parish Council. Also portions of rent, fringe benefits, Title IV Program expenses and various office expenses are paid or absorbed by the St. Charles Parish Council. At December 31, 1999, the amount of the expenses paid or absorbed by these other agencies has not been determined.

***DISTRICT ATTORNEY OF THE  
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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

***NOTE 8***      ***TITLE IV-D PROGRAM***

The District Attorney participates in the United States Department of Health and Human Services Support Enforcement, Title IV-D Program, Catalog of Federal Domestic Assistance Number 13.783. This program is funded by indirect assistance payments, in the form of both incentive payments and reimbursements of a portion of certain expenditures, received from the Louisiana Department of Social Services. For the year ended December 31, 1999, the District Attorney for the Twenty-Ninth Judicial District expended \$58,647 and \$0 in reimbursement and incentive payments, respectively. The previous two funds, IV-D Reimbursement and IV-D Incentive Funds, were combined into a newly created fund, Child Support Reimbursement Fund, during 1998. The District Attorney of the Twenty-Ninth Judicial District expended \$211,960 in 1999 for the Child Support Reimbursement Fund. The reimbursement payments are restricted by a formal agreement between the District Attorney and Department of Social Services and includes a budget of expected expenditures for each fiscal year ending June 30. The District Attorney submits reimbursement requests to the Department of Social Services on a monthly basis.

There are no restrictions on how incentive payments may be expended, except as may be required by state law, for any other funds of the District Attorney. However, these payments, as well as the reimbursement payments, may be subjected too further review and audit by the federal grantor agency. Provision has not been made in the financial statements for the reimbursement of any expenditures that may be disallowed as a result of such a review or audit.

***NOTE 9***      ***AGENCY FUND - SPECIAL ASSET FORFEITURE FUND***

This fund accounts for monies and proceeds from the sale of property seized or obtained by judgment or settlement as a result of drug related activities. Monies deemed to be unforfeitable are returned to the person from whom it was seized. Withdrawal of forfeited funds can be made only upon order of the court. Forfeited money in the fund shall be distributed in order of priority as follows:

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NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**NOTE 9**      **AGENCY FUND - SPECIAL ASSET FORFEITURE FUND (Continued)**

- (1) for satisfaction of any bona fide security interest or lien.
- (2) Thereafter, for payment of all proper expenses of the proceedings for forfeiture and sale, including expenses of seizure, maintenance of custody, advertising, and court costs.
- (3) The remaining funds will be allocated as follows:
  - (a) Sixty per cent thereof to the law enforcement agency or agencies making the seizure, such proceeds to be used in drug law enforcement, including but not limited to reward programs established by such agencies.
  - (b) Twenty per cent thereof to the criminal court fund of the applicable parish government.
  - (c) Twenty per cent thereof to any District Attorney's office that employs attorneys who handle the forfeiture action for the state. This shall be paid into the District Attorney's 12 per cent (general) fund to be used for public purposes including, but not limited to use for prosecution, rewards, support and continuing legal education.

Changes in the account are as follows:

<b>Balance: January 1, 1999</b>	<b>\$ 26,689</b>
 <b><u>Additions:</u></b>	
Forfeitures received	54,158
Interest earned	255
	54,413
 <b><u>Reductions:</u></b>	
Forfeitures returned	2,772
Forfeitures distributed	59,511
Miscellaneous expenses	5,951
	68,234
<b>Balance: December 31, 1999</b>	<b>\$ 12,868</b>

**DISTRICT ATTORNEY OF THE  
 TWENTY-NINTH JUDICIAL DISTRICT  
 ST. CHARLES PARISH, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

**NOTE 10     INSURANCE**

The District Attorney of the Twenty-Ninth Judicial District is exposed to risks of loss related to physical damage to assets, errors and omissions, and employee injuries. The District Attorney has purchased commercial insurance coverage for each type of risk to which it is exposed. Settlements have not exceeded insurance coverage in any of the three proceedings years.

**NOTE 11     INTERFUND RECEIVABLES AND PAYABLES**

Such balances at December 31, 1999 were:

	Receivable	Payable
<b>General Fund</b>	\$ 2,502	\$ 38,905
<b>Special Revenue Funds:</b>		
Court Cost Fund	\$ 51,997	1,185
Child Support	396	3,072
Drug Enforcement		11,733
	\$ 54,895	\$ 54,895

**DISTRICT ATTORNEY OF THE TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA**

**COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS**

For the Year Ended December 31, 1999

	Title IV-D Reimbursement	Title IV-D Incentive	Child Support	Drug Enforcement	Court Cost	Worthless Check	Pre-Trial Intervention	Misdemeanor Probation	Totals
<b>ASSETS AND OTHER DEBITS</b>									
Cash and cash equivalents	\$ 71,939	\$ 38,621	\$ 193,886		\$ 148,422	\$ 36,497	\$ 94,984	\$ 11,341	\$ 595,690
Investments					90,719				90,719
Receivables:									
Collection Fees						680	1,700		2,380
Commissions on fines and forfeitures					33,782				33,782
Due from other governmental units			37,135	\$ 11,733	40,038				88,906
Due from other funds			396		51,997				52,393
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 71,939</b>	<b>\$ 38,621</b>	<b>\$ 231,417</b>	<b>\$ 11,733</b>	<b>\$ 364,958</b>	<b>\$ 37,177</b>	<b>\$ 96,684</b>	<b>\$ 11,341</b>	<b>\$ 863,870</b>
<b>LIABILITIES AND FUND EQUITY</b>									
Liabilities:									
Accounts payable			\$ 2,049		\$ 6,114		\$ 220		\$ 8,383
Due to other governmental units			45,405		17,746				63,151
Due to other funds			3,072	\$ 11,733	1,185				15,990
Fund Equity:									
Fund balances - unreserved and undesignated	\$ 71,939	\$ 38,621	180,891	-	339,913	\$ 37,177	96,464	\$ 11,341	776,346
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 71,939</b>	<b>\$ 38,621</b>	<b>\$ 231,417</b>	<b>\$ 11,733</b>	<b>\$ 364,958</b>	<b>\$ 37,177</b>	<b>\$ 96,684</b>	<b>\$ 11,341</b>	<b>\$ 863,870</b>

**DISTRICT ATTORNEY OF THE TWENTY-NINTH JUDICIAL DISTRICT  
ST. CHARLES PARISH, LOUISIANA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
SPECIAL REVENUE FUNDS**

For the Year Ended December 31, 1999

	Title IV-D Reimbursement	Title IV-D Incentive	Child Support	Drug Enforcement	Court Cost	Worthless Check	Pre-Trial Intervention	Misdemeanor Probation	Totals
<b>Revenues</b>									
Charges for services:									
Commissions on fines and forfeitures					\$ 260,426				\$ 260,426
Probation fees						\$ 11,481		\$ 11,407	42,938
Worthless check fees									11,481
Intergovernmental			\$ 319,000	\$ 110,770	28,613	418	1,014		458,383
Interest and miscellaneous		\$ 514	998		5,583				8,527
Total revenues		<u>514</u>	<u>319,998</u>	<u>110,770</u>	<u>294,622</u>	<u>11,899</u>	<u>32,545</u>	<u>11,407</u>	<u>781,755</u>
<b>Expenditures</b>									
Current:									
General government	\$ 58,200		171,032		189,856				419,088
Salaries and related benefits	447		8,261		416				9,124
Telephone and utilities			600		3,170				3,770
Professional services			5,642				900		6,542
Repairs and maintenance			1,181		605				1,786
Automobile expenditures					6,136				6,136
Meetings					13,136				13,161
Dues and subscriptions			25		5,964				6,304
Insurance			340		9,624		916		23,464
Office supplies			11,519		83,864	1,339			86,543
Travel and conventions			2,679		1,528				1,528
Case expenditures			9,000						9,000
Rent									31,151
Intergovernmental				31,151					15,150
Capital outlay:					15,150				
Equipment					475				1,601
Debt Service:					103				658
Principal									
Interest									
Total expenditures	<u>58,647</u>		<u>211,960</u>	<u>31,151</u>	<u>330,027</u>	<u>1,339</u>	<u>1,816</u>	<u>66</u>	<u>635,006</u>
Excess (Deficiency) of Revenues Over Expenditures	(58,647)	514	108,038	79,619	(35,405)	10,560	30,729	11,341	146,749
Other Financing Sources and Uses:									
Interfund Transfers				(79,619)	79,619				
Total Other Financing Sources and Uses				<u>(79,619)</u>	<u>79,619</u>				
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(58,647)	514	108,038	-	44,214	10,560	30,729	11,341	146,749
FUND BALANCES at beginning of year	130,586	38,107	72,853		295,699	26,617	65,735		629,597
FUND BALANCES at end of year	<u>\$ 71,939</u>	<u>\$ 38,621</u>	<u>\$ 180,891</u>	<u>\$ -</u>	<u>\$ 339,913</u>	<u>\$ 37,177</u>	<u>\$ 96,464</u>	<u>\$ 11,341</u>	<u>\$ 776,346</u>

***INTERNAL CONTROL AND  
COMPLIANCE SECTION***



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

Honorable Harry J. Morel, Jr.  
District Attorney of the Twenty-Ninth Judicial District  
St. Charles Parish, Louisiana

We have audited the financial statements of the District Attorney of the Twenty-Ninth Judicial District, St. Charles Parish Louisiana as of and for the year ended December 31, 1999, and have issued our report thereon dated June 14, 2000. 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 District Attorney of the Twenty-Ninth Judicial District, St. Charles Parish Louisiana's 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*.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District Attorney of the Twenty-Ninth Judicial District, St. Charles Parish Louisiana'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 a material weakness. 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

Honorable Harry J. Morel, Jr.  
District Attorney of the Twenty-Ninth Judicial District  
St. Charles Parish Louisiana  
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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.

*Stagni & Company*

June 14, 2000  
Thibodaux, Louisiana



***DISTRICT ATTORNEY OF THE TWENTY-NINTH JUDICIAL DISTRICT,  
ST. CHARLES PARISH, LOUISIANA***

***Summary Schedule of Findings and Questioned Costs***

For the Year Ended December 31, 1999

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the general-purpose financial statements of the District Attorney of the Twenty-Ninth Judicial District, St. Charles Parish, Louisiana.
2. No reportable conditions relating to the audit of the financial statements are reported in the Report on Compliance and Internal Control over Financial Reporting Based on an Audit of Financial Statements in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the District Attorney of the Twenty-Ninth Judicial District were disclosed during the audit.

- B.** There were no findings relating to the financial statements that are required to be reported in accordance with GAGAS.