

RECEIVED
LEGISLATIVE DIRECTOR

00 JUN 26 AM 9:55

1677
OFFICIAL
FILE COPY

DO NOT SEND OUT

(Xerox necessary
copies from this
copy and PLACE
BACK in FILE)

**SIXTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD**

Parishes of Iberia, St. Martin and St. Mary
State of Louisiana

**ANNUAL FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITORS' REPORT**

and

REPORT ON INTERNAL ACCOUNTING CONTROL AND COMPLIANCE

FOR THE YEAR ENDED DECEMBER 31, 1999

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 agencies. The report is available for public inspection at the Iberia Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: 08-16-00

C O N T E N T S

	<u>PAGE</u>
<u>FINANCIAL INFORMATION SECTION</u>	
INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS	
Combined Balance Sheet - All Fund Types and Account Groups	3
General Fund -Statement of Revenues, Expenditures and Changes in Fund Balance	4
Notes to the Financial Statements	5-10
<u>INTERNAL ACCOUNTING CONTROL AND COMPLIANCE SECTION</u>	
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	11-12
Schedule of Findings, Questioned Costs and Federal Awards	13
Schedule of Prior Year Findings	14



INDEPENDENT AUDITORS' REPORT

Members of the Board
Sixteenth Judicial District Indigent
Defender Board
Franklin, Louisiana

We have audited the accompanying general purpose financial statements of the Sixteenth Judicial District Indigent Defender Board 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 Sixteenth Judicial District Indigent Defender Board'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 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 general purpose 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 Sixteenth Judicial District Indigent Defender Board, as of December 31, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated May 26, 2000, on our consideration of the Sixteenth Judicial District Indigent Defender Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Pitt & Matte
CERTIFIED PUBLIC ACCOUNTANTS

May 26, 2000

SIXTEENTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

December 31, 1999

	<u>Governmental Fund Type General Fund</u>	<u>Account Group General Fixed Assets</u>	<u>Total (Memorandum Only)</u>
ASSETS AND OTHER DEBITS			
Cash and cash equivalents	\$185,952		\$185,952
Revenue receivable:			
Court costs	59,013		59,013
Fees from indigents			
Current (less allowance of \$59,798)	29,452		29,452
Noncurrent (less allowance of \$303,091)	149,283		149,283
Equipment		\$119,705	119,705
	<hr/>	<hr/>	<hr/>
Total assets	\$423,700	\$119,705	\$543,405
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES, EQUITY AND OTHER CREDITS			
Liabilities			
Accounts payable	\$15,809		\$15,809
Payroll taxes payable	10,916		10,916
Deferred revenue	149,283		149,283
	<hr/>	<hr/>	<hr/>
Total liabilities	176,008		176,008
	<hr/>	<hr/>	<hr/>
Equity and Other Credits			
Investment in general fixed assets		\$119,705	119,705
Fund Balance - Unreserved/Undesignated	247,692		247,692
	<hr/>	<hr/>	<hr/>
Total equity and other credits	247,692	119,705	367,397
	<hr/>	<hr/>	<hr/>
Total liabilities, equity, and other credits	\$423,700	\$119,705	\$543,405
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements.

SIXTEENTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD

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

Revenues	
Court costs	
District courts	\$606,962
City courts	227,270
Net fees from indigents	31,253
District Assistance Funds	33,817
Interest	10,140
Total revenues	909,442
Expenditures	
General government	
Judicial	
Defending attorneys' fees	171,561
Salaries	560,574
Taxes - payroll	44,168
Professional fees	38,953
Office supplies and expense	17,347
Telephone	20,579
Rent & Utilities	28,468
Equipment rental	7,733
Travel and meetings	9,990
Insurance	96,242
Maintenance	3,743
Dues & subscriptions	4,571
Seminars	2,900
Court cost	650
Bonds	670
Pension expense	14,803
Capital outlay	3,470
Total expenditures	1,026,422
Deficiency of revenues over expenditures	(116,980)
Fund balance, beginning of year	364,672
Fund balance, end of year	\$247,692

The accompanying notes are an integral part of these financial statements.

SIXTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD

NOTES TO THE FINANCIAL STATEMENTS
December 31, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Sixteenth Judicial District Indigent Defender Board was established to provide legal defense for persons referred by the courts, as indigents, and who are charged with crimes. The Sixteenth Judicial District Indigent Defender Board includes the parishes of Iberia, St. Martin, and St. Mary, Louisiana.

A. Reporting Entity

This report includes all funds and account groups for which the Board has financial accountability. Financial accountability is determined upon the basis of:

- a. Financial benefit or burden
- b. Appointment of a voting majority
- c. Imposition of will
- d. Fiscally dependent

Although the Board is part of the district court system of Louisiana which covers Iberia, St. Martin and St. Mary Parishes, under the criteria as described above, the Board operates independently and is considered an independent reporting entity with regard to the district court system and each of the three parishes.

B. Fund Accounting

The Board 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.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, 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.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category in turn, is divided into separate "fund types." The Board's current operations require only the use of one fund, the general fund.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Fund

General Fund

The General Fund is the general operating fund of the Board. It is used to account for all financial resources of the Board.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by all governmental 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. Expenditures are recorded when the related fund liability is incurred.

The following is a summary of the Board's recognition policies for its major revenue sources:

Court costs and bond forfeitures are recorded when collected by the various courts within the sixteenth judicial district.

Fees from indigents in St. Mary, St. Martin, and Iberia Parishes are recorded upon the receipt of a court order directing indigents to pay for services rendered. In most cases, these fees are scheduled by the court system to be paid over a period of time with initial payments frequently scheduled to begin in future periods. At the time indigents are directed to make payments to the Board, receivables are recorded. Payments scheduled to be received in the current period (within the next twelve months), are recorded as revenue. Payments scheduled to be received subsequent to the current period are recorded as deferred revenue. At the time these deferred revenues are expected to be collected, the amounts recorded as deferred revenue are recognized as revenue. An allowance for uncollectible fees is estimated by the Board based upon collection history.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

D. Budgets

The Board is not required to adopt and did not adopt a budget for the year ended December 31, 1999.

E. Cash And Cash Equivalents

For financial statement purposes, cash and cash equivalents include demand deposits and certificates of deposit.

Cash and cash equivalents are stated at cost, which approximates market.

F. Fixed Assets

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisitions are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. Fixed assets are valued at cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Assets in the general fixed assets account group are not depreciated.

G. Compensated Absences

No liability has been accrued for compensated absences in the financial statements because the amount is immaterial.

H. Memorandum Only - Total Columns

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, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation.

NOTE 2 - CASH AND CASH EQUIVALENTS

The Board may deposit funds with a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Council may also invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. These pledged securities are held in the name of the pledging bank in a custodial bank that is mutually acceptable to the parties involved.

Under the provision of the GASB codification, accounts secured by pledged securities, which are not in the name of the governmental unit, are considered uncollateralized.

The following is a summary of the cash and cash equivalents and the related federal deposit insurance and related pledged securities as of December 31, 1999:

Cash and cash equivalents - stated value	<u>\$185,952</u>
Cash and cash equivalents - bank balance	199,932
Portion insured by federal deposit insurance	160,025
Collateralized by securities in the Board's name held by the Board or third parties	<u>NONE</u>
Balance uninsured and uncollateralized under GASB codification	39,907
Portion of deposits secured under Louisiana Law	<u>39,907</u>
Amount unsecured under Louisiana law	<u>NONE</u>

NOTE 3 - FIXED ASSETS

A summary of changes in general fixed assets for the year ended December 31, 1999 follows:

Equipment balance, January 1, 1999	\$116,235
Additions	<u>3,470</u>
Equipment balance, December 31, 1999	<u>\$119,705</u>

NOTE 4 - PENSION PLAN

All employees participate in the federal Social Security System. The Board is required to remit an amount to the Social Security Administration equal to the employees' contribution. The Board does not guarantee any of the benefits granted by the Social Security System.

The Sixteenth Judicial District Indigent Defender Board established a defined contribution pension plan administered by an insurance agent. This plan is a simple IRA.

Plan members may contribute up to a maximum of \$6,000 each and the Board will match up to a maximum of three percent of the employees' salary. The Board's actual contributions to the plan were \$14,803 for the year ended December 31, 1999, and the plan members actual contributions were \$26,878.

NOTE 5 - NET FEES FROM INDIGENTS

The following is a summary of fees from indigents and its associated adjustments for the year ended December 31, 1999:

Gross fees from indigents	\$ 124,070
Less: Related increase in allowance for uncollectible accounts	<u>(55,530)</u>
Subtotal	68,540
Less: Deferred portion of fees	<u>(37,287)</u>
Net fees from indigents	<u>\$ 31,253</u>

NOTE 6 - RISKS AND UNCERTAINTIES

The District is exposed to various risks of loss related to torts, theft or damage to assets, errors and omissions, injuries to employees and natural disasters. The District has purchased commercial insurance to protect against most of these perils.

There were no significant reductions in insurance coverages from prior years.

NOTE 7 - AMOUNTS CURRENTLY DUE FROM GOVERNMENTAL ENTITIES

The following is a detail of amounts currently due from governmental entities at December 31, 1999:

St. Mary District Court	\$13,025
St. Martin District Court	14,759
Iberia District Court	18,297
Jeanerette City Court	158
New Iberia City Court	4,183
Franklin City Court	795
Breaux Bridge City Court	1,348
Berwick City Court	2,098
Morgan City City Court	2,293
Patterson City Court	<u>2,057</u>
	<u>\$59,013</u>

NOTE 8 - CONCENTRATIONS

The Board received ninety-two percent of its revenues from various courts in the district in the form of court costs. Sixty-seven percent is collected from district courts and twenty-five percent from city courts.

COMPLIANCE AND INTERNAL CONTROL OVER FINANCIAL REPORTING



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

Members of the Board
Sixteenth Judicial District
Indigent Defender Board
Franklin, Louisiana

We have audited the general purpose financial statements of the Sixteenth Judicial District Indigent Defender Board, as of and for the year ended December 31, 1999, and have issued our report thereon dated May 26, 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

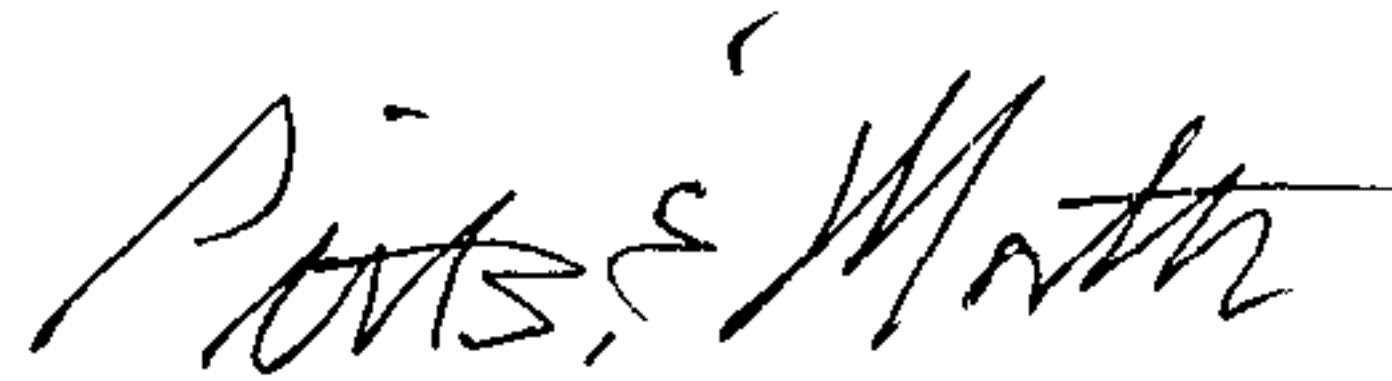
As part of obtaining reasonable assurance about whether the Sixteenth Judicial District Indigent Defender Board's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Sixteenth Judicial District Indigent Defender Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting

that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

A handwritten signature in black ink, appearing to read "Potts & Math". The signature is written in a cursive, flowing style.

CERTIFIED PUBLIC ACCOUNTANTS

May 26, 2000

SIXTEENTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD

Schedule of Findings, Questioned Costs and Federal Awards For the Year Ended December 31, 1999

A. Summary of Audit Results

1. The auditors' report expresses an unqualified opinion on the general purpose financial statements of the Sixteenth Judicial District Indigent Defender Board.
2. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

There were no reportable conditions in internal control over financial reporting noted during the audit of the financial statements.

Compliance

There were no material instances of noncompliance noted during the audit of the financial statements.

3. Federal Awards

This section is not applicable for the year ended December 31, 1999.

B. Findings - Financial Statement Audit

No matters to be reported for the year ended December 31, 1999.

C. Findings and Questioned Costs - Federal Award Programs

This section is not applicable for the year ended December 31, 1999.

SIXTEENTH JUDICIAL DISTRICT INDIGENT DEFENDER BOARD

Schedule of Prior Year Findings
For the Year Ended December 31, 1999

Internal Control and Compliance Material to the Financial Statements

No findings were reported for the year ended December 31, 1998.

Internal Control and Compliance Material to Federal Awards

This section was not applicable for the year ended December 31, 1998.

Management Letter

No findings were reported for the year ended December 31, 1998.