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**TWENTY-NINTH JUDICIAL DISTRICT COURT'S
FAMILIES IN NEED OF SERVICES FUND
Hahnville, Louisiana
General Purpose Financial Statements
and Independent Auditor's Report
As of and 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 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 JUN 21 2000

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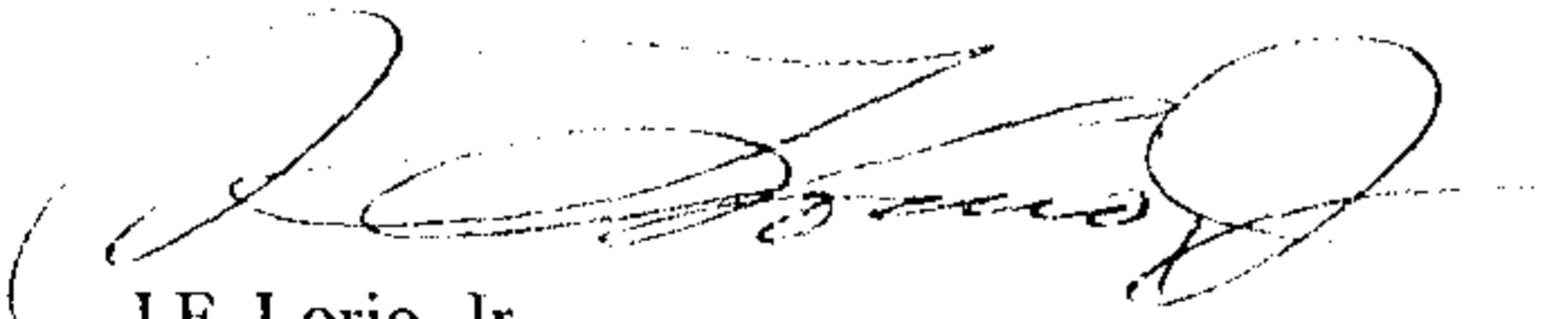
INDEPENDENT AUDITOR'S REPORT

Twenty-Ninth Judicial District Court's
Families in Need of Services Fund
Hahnville, Louisiana

We have audited the accompanying general purpose financial statements of the Twenty-Ninth Judicial District Court's Families in Need of Services Fund, 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 management of the Twenty-Ninth Judicial District Court's Families in Need of Services Fund. 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 contained in the 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 Twenty-Ninth Judicial District Court's Families in Need of Services Fund as of December 31, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.



J.F. Lorio, Jr.
Certified Public Accountant

May 24, 2000

**TWENTY-NINTH JUDICIAL DISTRICT COURT'S
FAMILIES IN NEED OF SERVICES FUND**

St. Charles Parish, Louisiana
Governmental Activities - General Fund

Statement of Net Assets

December 31, 1999

Statement A

ASSETS

Cash	\$ 29,420
Capital Assets, Net	<u>3,454</u>
Total Assets	<u>\$ 32,874</u>

LIABILITIES

Liabilities	<u>-0-</u>
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NET ASSETS

Invested in Capital Assets. Net of related debt	4,882
Unrestricted	<u>27,992</u>
Total Net Assets	<u>\$ 32,874</u>

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

**TWENTY-NINTH JUDICIAL DISTRICT COURT'S
FAMILIES IN NEED OF SERVICES FUND**

St. Charles Parish, Louisiana
Governmental Activities - General Fund
Statement of Activities and Changes
in Fund Balances
For the Year Ended December 31, 1999

Statement B

Revenues

Intergovernmental revenue - state appropriation	\$ 41,204
Interest income	<u>545</u>
Total Revenues	<u>41,749</u>

Expenditures

Administrative services	1,320
Conferences, dues, publications	2,708
Depreciation expense	976
Office supplies	300
Personal services and benefits	12,745
Professional services	<u>26,100</u>
Total expenditures	<u>44,149</u>
Excess of expenditures over revenue	(2,400)
Fund balance beginning of year	<u>35,274</u>
Fund balance end of year	<u>\$ 32,874</u>

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

**TWENTY-NINTH JUDICIAL DISTRICT COURT'S
FAMILIES IN NEED OF SERVICES FUND**

St. Charles Parish, Louisiana

Governmental Activities - General Fund

Statement of Activities and Changes in
Fund Balance - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 1999

	Statement C		
	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
<u>REVENUES</u>			
Intergovernmental revenue - state appropriation	\$ 25,000	\$ 41,204	\$ 16,204
Interest earnings	<u>500</u>	<u>545</u>	<u>45</u>
 Total Revenues	 <u>25,500</u>	 <u>41,749</u>	 <u>16,249</u>
<u>EXPENDITURES</u>			
Personal services and related benefits	12,000	12,745	(745)
Administrative services	1,320	1,320	-0-
Professional contract services	1,500	26,100	(24,600)
Office supplies and expenditures	500	300	200
Computer expense	500	-0-	500
Conferences, dues, publications and subscriptions	2,000	2,708	(708)
Capital outlay: Office equipment	<u>3,500</u>	<u>-0-</u>	<u>3,500</u>
 Total Expenditures	 <u>21,320</u>	 <u>43,173</u>	 <u>(21,853)</u>
 Excess (Deficiency) Revenues over Expenditures	 4,180	 (1,424)	 (5,604)
 Fund Balance at Beginning of Year	 <u>27,955</u>	 <u>27,955</u>	 <u>-0-</u>
 Fund Balance at End of Year	 <u>\$ 32,135</u>	 <u>\$ 26,531</u>	 <u>\$ (5,604)</u>

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

**TWENTY-NINTH JUDICIAL DISTRICT COURT'S
FAMILIES IN NEED OF SERVICES FUND**

St. Charles Parish, Louisiana
Notes to the Financial Statements
December 31, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In 1999, monies were appropriated from the Governor's Crime package to the Children's Cabinet for the implementation of the Families in Need of Services, of title VII of the Louisiana Children's Code, in the juvenile and district courts in the State of Louisiana.

As state appropriated monies are received by the Twenty-Ninth Judicial Court's Families in Need of Services Fund, they are deposited into a separate banking account where disbursements are made in accordance with the contract entered into between the Twenty-Ninth Judicial Court and the Louisiana Department of Social Services.

1. Basis of Presentation

The accompanying general purpose financial statements of the Twenty-Ninth Judicial District Court's Families in Need of Services Fund 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. Fund's

The Families in Need of Services Fund uses a General Fund to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions relating to certain government functions and activities. A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues and expenditures.

The General Fund of the Families in Need of Services Fund is classified as a governmental activity. The General Fund accounts for all of the entity's general activities and financial resources, including the collection and disbursement of specific or legally restricted monies.

**TWENTY-NINTH JUDICIAL DISTRICT COURT'S
FAMILIES IN NEED OF SERVICES FUND**

St. Charles Parish, Louisiana
Notes to the Financial Statements
December 31, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental fund is accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and liabilities generally are included on the balance sheet. The operating statements of the General Fund present increases and decreases in net current assets. The Families in Need of Services Fund records are maintained on the modified accrual basis of accounting using the following practices in recording revenues and expenditures:

Revenues:

Intergovernmental revenues comprise substantially all the revenue sources. These monies are recorded in the year they are to be appropriated from the State by contract.

Interest earnings on time deposits are recorded when the time deposits have matured and the interest is available.

Expenditures:

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

The fund adopted GASB 34 as of December 31, 1999. The purpose of GASB 34 is to provide more understandable and useful financial reports. The major change requires capital expenditures to be recorded as assets and depreciated over their estimated useful lives.

4. Budgets

The Families in Need of Services Fund adopted an annual budget for the General Fund on a modified accrual basis of accounting. Budgeted amounts included in the annual financial statements include the original adopted budget amounts and any subsequent amendments.

The Families in Need of Services Fund reserves all authority to make changes to the budget.

**TWENTY-NINTH JUDICIAL DISTRICT COURT'S
FAMILIES IN NEED OF SERVICES FUND**
St. Charles Parish, Louisiana
Notes to the Financial Statements
December 31, 1999

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5. Fixed Assets and Long-term Obligations

Fixed assets are stated at historical cost and depreciated over their estimated useful lives using the straight line method.

There were no long-term obligations at December 31, 1999.

6. Cash

Cash includes amounts in interest bearing demand deposits. Cash equivalents include amounts in certificates of deposit. Under state law, the entity may deposit funds in demand deposits, interest bearing demand deposits, money market accounts and time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

7. Compensated Absences and Pension Plan

The fund had no employees in 1999; therefore, it does not have a leave policy and it does not participate in any pension plan.

NOTE B - CASH

At December 31, 1999, the carrying amount (book balance) of all cash of the Families in Need of Services Fund totaled \$ 29,420, and is listed as follows:

Interest bearing demand deposits	<u>\$ 29,420</u>
Total	<u>\$ 29,420</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. 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 fund had \$ 33,730 in deposits (collected bank balances). These deposits were fully secured from risk by federal deposit insurance.

**TWENTY-NINTH JUDICIAL DISTRICT COURT'S
FAMILIES IN NEED OF SERVICES FUND**
St. Charles Parish, Louisiana
Notes to the Financial Statements
December 31, 1999

NOTE C - CHANGES IN GENERAL FIXED ASSETS

A Summary of changes in general fixed assets (furniture and equipment) is as follows:

Balance, December 31, 1998	\$ 4,882
Additions	-0-
Retirements	<u>-0-</u>
	\$ 4,882
Accumulated depreciation	<u>(1,428)</u>
Net Assets, December 31, 1999	<u>\$ 3,454</u>

Depreciation expense for the year totaled \$ 976.

NOTE D - FUND BALANCE

An adjustment reducing the unrestricted fund balance in the amount of \$450 was made to record prior year depreciation on fixed assets.

NOTE E - MANAGEMENT DISCUSSION AND ANALYSIS

The Statement of Net Assets reflects net assets of \$ 32,874. Net assets were reduced by \$ 2,850 for the year due to expenditures exceeding revenues by \$ 2,400 and an adjustment for prior period depreciation in the amount of \$ 450.

There were significant variances from the budget to actual results. Revenues increased \$16,204 due to additional funding from the state. Expenditures were \$ 21,853 more than budgeted due to entering into a contract for professional family services.

OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS

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

Twenty-Ninth Judicial District Court's
Families in Need of Services Fund
Hahnville, Louisiana

We have audited the general purpose financial statements of the Twenty-Ninth Judicial District's Families in Need of Services Fund, as of and for the year ended December 31, 1999, and have issued our report thereon dated May 24, 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 a part of obtaining reasonable assurance about whether the Twenty-Ninth Judicial District Court's Families in Need of Services Fund's general purpose 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 the financial statements 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

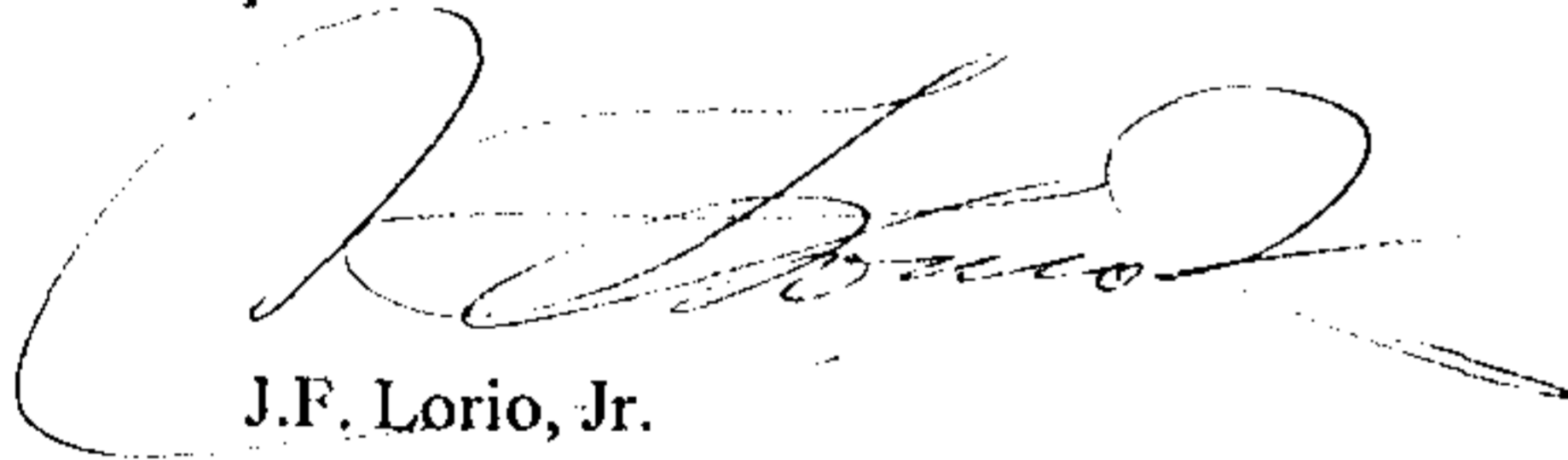
In planning and performing our audit, we considered the Twenty-Ninth Judicial District Court's Families in Need of Services Fund internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a matter involving the internal control over financial reporting and its operations that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention *relating to significant deficiencies in the design or operation that, in our judgement, could adversely affect the board's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements.* We noted that the size of the fund's operation of internal control over financial reporting and its limited staff preclude an adequate segregation of duties and other features of an adequate system of internal accounting control structure, however, it feels that to employ such controls would not be cost beneficial.

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Twenty-Ninth Judicial District Court's
Families in Need Of Services Fund

A material weakness is a reportable 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. 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, we consider the reportable condition described above to be a material weakness.

This report is intended solely for use of management and the State of Louisiana legislative Auditor and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by the State of Louisiana Legislative Auditor, is a matter of public record.



J.F. Lorio, Jr.
Certified Public Accountant

May 24, 2000