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**DISTRICT ATTORNEY OF THE  
TWENTY-FOURTH JUDICIAL DISTRICT  
STATE OF LOUISIANA**

**GENERAL PURPOSE FINANCIAL STATEMENTS  
AND SUPPLEMENTAL INFORMATION  
WITH INDEPENDENT AUDITOR'S REPORT THEREON**

**YEAR ENDED DECEMBER 31, 1996**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 AUG 06 1997

**SHARP & COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS  
A PROFESSIONAL ACCOUNTING CORPORATION**

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**SHARP & COMPANY**  
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**INDEPENDENT AUDITOR'S REPORT**

Paul D. Connick, Jr.  
District Attorney of the  
Twenty-Fourth Judicial District

We have audited the accompanying general purpose financial statements of the District Attorney of the Twenty-Fourth Judicial District as of December 31, 1996, and for the year then ended. These general purpose financial statements are the responsibility of the management of the District Attorney of the Twenty-Fourth Judicial District. 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; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the District Attorney of the Twenty-Fourth Judicial District, as of December 31, 1996, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The schedules listed as supplemental information in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the District Attorney of the Twenty-Fourth Judicial District. 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.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 21, 1997, on our consideration of the District Attorney of the Twenty-Fourth Judicial District's internal control structure and a report dated May 21, 1997, on its compliance with laws and regulations.

## **Sharp & Company**

A Professional Accounting Corporation

Harvey, Louisiana  
May 21, 1997

**DISTRICT ATTORNEY OF THE TWENTY-FOURTH JUDICIAL DISTRICT**  
**STATE OF LOUISIANA**  
 COMBINED BALANCE SHEET  
 ALL FUND TYPES AND ACCOUNT GROUPS  
 December 31, 1996

	Governmental Fund Type	Fiduciary Fund Type	Account Group	Total (Memorandum only)
	General Fund	Agency Fund	General Fixed Assets	
<b>ASSETS AND OTHER DEBITS</b>				
Cash and cash equivalents	\$32,615	\$3,133	\$ -	\$35,748
Investments	5,330,418	136,962	-	5,467,380
Receivables				
Commissions on fines and bond forfeitures	45,721	-	-	45,721
Title IV-D incentives	14,071	-	-	14,071
Court costs	27,730	-	-	27,730
Property and equipment	-	-	479,128	479,128
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<u>\$5,450,555</u>	<u>\$140,095</u>	<u>\$479,128</u>	<u>\$6,069,778</u>
<b>LIABILITIES, FUND BALANCE, AND OTHER CREDITS</b>				
<i>Liabilities</i>				
Accounts payable	\$31,227	\$ -	\$ -	\$31,227
Due to other governments	225	-	-	225
Held for future disposition	-	140,095	-	140,095
<i>Total Liabilities</i>	<u>31,452</u>	<u>140,095</u>	<u>-</u>	<u>171,547</u>
<i>Fund Equity and Other Credits</i>				
Investment in general fixed assets	-	-	479,128	479,128
Unreserved fund balance				
Designated for Case Tracking	550,000	-	-	550,000
Designated for matching of various grants	68,750	-	-	68,750
Designated for capital improvements	4,200,000	-	-	4,200,000
Designated for anticipated increases in personnel expenditures	300,000	-	-	300,000
Fund balance, undesignated	300,353	-	-	300,353
<i>Total Fund Equity and Other Credits</i>	<u>5,419,103</u>	<u>-</u>	<u>479,128</u>	<u>5,898,231</u>
<b>TOTAL LIABILITIES, FUND EQUITY, AND OTHER CREDITS</b>	<u>\$5,450,555</u>	<u>\$140,095</u>	<u>\$479,128</u>	<u>\$6,069,778</u>

See Notes to Financial Statements.

**DISTRICT ATTORNEY OF THE TWENTY-FOURTH JUDICIAL DISTRICT  
STATE OF LOUISIANA**  
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL - GOVERNMENTAL FUND TYPE  
For the Year Ended December 31, 1996

	General Fund		Variance Favorable (Unfavorable)
	Actual	Budget	
<b>REVENUES</b>			
Court costs	\$348,688	\$350,000	\$(1,312)
Fines and forfeitures	344,230	300,000	44,230
Bond fees	111,220	100,000	11,220
Worthless check fees	173,316	175,000	(1,684)
Commissions on asset forfeitures	31,596	100,000	(68,404)
Diversion fees	19,000	25,000	(6,000)
Louisiana Department of Social Services - Title IV-D incentives grant	306,193	275,000	31,193
Other fees	10,981	100	10,881
Intergovernmental revenues	4,481,432	4,563,801	(82,369)
Interest earnings	403,254	300,000	103,254
<b>TOTAL REVENUES</b>	<b>6,229,910</b>	<b>6,188,901</b>	<b>41,009</b>
<b>EXPENDITURES</b>			
<i>Current</i>			
Personnel and related benefits	4,481,432	4,563,801	82,369
Office expenses	50,194	6,000	(44,194)
Travel and training	14,307	30,000	15,693
Professional fees	45,522	26,000	(19,522)
Repairs and maintenance	11,633	5,000	(6,633)
Capital outlays	37,389	61,000	23,611
Intergovernmental expenditures	3,109,281	3,201,281	92,000
<b>TOTAL EXPENDITURES</b>	<b>7,749,758</b>	<b>7,893,082</b>	<b>143,324</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,519,848)</b>	<b>(1,704,181)</b>	<b>184,333</b>
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>6,938,951</b>	<b>6,938,951</b>	<b>-</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>\$5,419,103</b>	<b>\$5,234,770</b>	<b>\$184,333</b>

See Notes to Financial Statements.

**DISTRICT ATTORNEY OF THE TWENTY-FOURTH JUDICIAL DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 1996

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

The significant accounting policies of the Office of the District Attorney of the Twenty-Fourth Judicial District are described below:

**Basis of Presentation**

The accompanying financial statements of the District Attorney of the Twenty-Fourth Judicial District (the District Attorney) 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.

**Reporting Entity**

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the District Attorney of the Twenty-Fourth Judicial District has charge of every criminal prosecution by the State in its district, is the representative of the State before the grand jury in its district, and is the legal advisor to the grand jury. The District Attorney performs other duties as provided by law. The District Attorney is elected by the qualified electors of the judicial district for a term of six years. The judicial district encompasses the Parish of Jefferson.

GASB Statement 14 established criteria for determining the governmental reporting entity and components that should be included within the reporting entity. For financial reporting purposes, in conformity with GASB Statement 14, the financial statements of the District Attorney include all funds and account groups that are within its oversight responsibility.

For financial reporting purposes, in conformance with GASB Statement 14, the District Attorney is a part of the district court system of the State of Louisiana. However, the state statutes that create the District Attorney also gives the District Attorney control over all of its operations. This includes the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. The District Attorney is financially independent and operates autonomously from the State of Louisiana and independently from the district court system. Accordingly, the District Attorney reports as an independent reporting entity.

**DISTRICT ATTORNEY OF THE TWENTY-FOURTH JUDICIAL DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 1996

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Fund Accounting*

The accounts of the District Attorney are organized on the basis of funds and account groups, each of which is a separate entity with its own self-balancing accounts that comprise its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

Account groups are financial reporting devices designed to provide accounting control and accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable financial resources.

The District Attorney's funds have been classified into two categories: governmental and fiduciary as follows:

*Governmental Fund Type*

*General Fund*

The general operating fund of the District Attorney, which accounts for all financial resources, except those required to be accounted for in other funds. All general revenues and other receipts and operating and capital expenditures are paid from the General Fund.

*Fiduciary Fund Type*

*Agency Fund (Asset Forfeiture)*

The District Attorney's Asset Forfeiture Agency Fund is used to account for assets seized in narcotics cases in which the District Attorney has received the seized assets, pending the final disposition of the case. The assets may ultimately be returned to the defendant from whom they were seized, transferred to another agency, or divided among the District Attorney, the Parish of Jefferson as custodian of judicial funds, and the seizing agency. In the latter instance, the District Attorney is responsible for allocating the assets to the respective agencies net of the expenses incurred in handling the assets.

*Account Group*

*General Fixed Assets Account Group*

Accounts for all fixed assets used in governmental fund type operations (general fixed assets) of the District Attorney.



**DISTRICT ATTORNEY OF THE TWENTY-FOURTH JUDICIAL DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 1996

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**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 and decreases in net current assets.

The modified accrual basis of accounting is used by all governmental fund types and agency funds. 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, if measurable.

Other financing sources (uses) consist of transfers between funds that are not expected to be repaid. These other financing sources (uses) are recognized at the time the underlying events occur.

Commissions on fines and forfeitures are recorded when they become susceptible to accrual. Grants are recorded when the District Attorney is entitled to receive the funds. Interest earned is recorded when time deposits and investments have matured and the interest is available. Other revenues are recognized when they become measurable and available to finance expenditures of the current period.

**Budgets**

The District Attorney adopts a formal budget for the General Fund on the modified accrual basis of accounting which is consistent with generally accepted accounting principles. Formal budget integration within the accounting records is employed as part of the accounting system. The District Attorney prepares and reviews a comparison of budget to actual figures for revenues and expenditures on a quarterly basis. The District Attorney adopted its original 1996 budget before January 1, 1996 and there was one subsequent amendment during the year. Appropriations for the General Fund lapse at year end. The District Attorney does not utilize encumbrance accounting.

**DISTRICT ATTORNEY OF THE TWENTY-FOURTH JUDICIAL DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 1996

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Cash and Investments**

Cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts. 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 Treasury obligations, the principal and interest of which are fully guaranteed by the government of the United States. 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. Investments are carried at cost.

**General Fixed Assets**

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated fair value at time of acquisition if historical cost is not available.

**Fund Equity**

Reserves represent those portions of fund equity not appropriate for expenditure or are legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**Total Columns on Statements**

Total columns on the general purpose financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. No consolidating entries or other eliminations were made in the aggregation of the totals; thus, they do not present consolidated information and do not purport to present financial position or results of operations in conformity with generally accepted accounting principles.

**DISTRICT ATTORNEY OF THE TWENTY-FOURTH JUDICIAL DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 1996

**NOTE 2 - CASH AND INVESTMENTS**

At December 31, 1996, cash deposits were fully insured by federal depository insurance. See Note 1 for allowable types of deposits and investments under State laws.

The District Attorney's investments at year end are categorized to give an indication of the level of risk assumed by the District Attorney. Category 1 includes investments that are either insured or registered, or for which the securities are held by the District Attorney, or its agent, in the District Attorney's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the District Attorney's name. Category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the District Attorney's name. All of the following investments were classified as Category 2 at December 31, 1996.

<u>Investment Type</u>	<u>Carrying Amount</u>	<u>Market Value</u>
U.S. Treasury Notes	\$3,001,207	\$2,998,677
U.S. Treasury Bill	<u>420,255</u>	<u>434,646</u>
Total	\$3,421,462	\$3,433,323

Additionally, the District Attorney has \$2,045,917 invested in the Louisiana Asset Management Pool, Inc. (LAMP), a local government investment pool (See Note 1). In accordance with GASB Codification Section 150.165, the investment in LAMP at December 31, 1995, is not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

**DISTRICT ATTORNEY OF THE TWENTY-FOURTH JUDICIAL DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 1996

**NOTE 3 - GENERAL FIXED ASSETS**

The following is a summary of changes in the general fixed asset account group during the year:

	Balance January 1, 1996	Additions	Balance December 31, 1996
Automobiles	\$ 154,561	\$ -	\$ 154,561
Furniture and equipment	219,108	23,205	242,313
Building improvements	<u>82,254</u>	<u>-</u>	<u>82,254</u>
Total	\$ 455,923	\$ 23,205	\$ 479,128

**NOTE 4 - EXPENSES PAID BY OTHERS**

The accompanying financial statements include certain revenues and expenditures of the District Attorney's office paid out of the funds of the District Court, or directly by the State of Louisiana or the Parish of Jefferson. The Title IV-D Fund (reimbursement portion), which is maintained and accounted for by Jefferson Parish, is the reporting responsibility of the Parish. A summary of funds paid on behalf of the District Attorney's office follows:

	Salaries and Employee Benefits	Other	Total
Parish of Jefferson	\$3,103,432	\$677,714	\$3,781,146
State of Louisiana	<u>1,378,000</u>	<u>-</u>	<u>1,378,000</u>
Total	\$4,481,432	\$677,714	\$5,159,146

The District Attorney and assistant district attorneys are members of the Louisiana District Attorneys' Retirement System. The Louisiana District Attorneys' Retirement System is a multiple employer state-wide retirement system which is administered and controlled by a board of trustees. The District Attorney's office does not contribute to the plan or guarantee any of the benefits granted by the plan.

All other employees of the District Attorney's office are members of the Parochial Employees' Retirement System of Louisiana and/or Employees' Retirement Systems of Jefferson Parish, Louisiana. All costs relating to salaries and pension contributions are paid by Jefferson Parish and the State of Louisiana; such costs are included in the accompanying general purpose financial statements and in the financial statements of the Parish and the State.

**DISTRICT ATTORNEY OF THE TWENTY-FOURTH JUDICIAL DISTRICT**  
**STATE OF LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 1996

**NOTE 5 - FEDERAL FINANCIAL ASSISTANCE PROGRAM**

The District Attorney participates in the United States Department of Health and Human Services Child Support Enforcement, Title IV-D Program, Catalog of Federal Domestic Assistance Number 13.783. The Federal expense reimbursement portion of this program is included in the general purpose financial statements of Jefferson Parish.

The District Attorney receives and accounts for incentive payments received from the Louisiana Department of Social Services and calculated as a percentage of each type of child support collected. Incentive payments earned during the year ended December 31, 1996, totaled \$306,193. These funds are recorded in the general fund of the District Attorney's office, as there are no restrictions on the expenditure of incentive funds, except as required by State law for any other funds of the District Attorney.

**NOTE 6 - ECONOMIC DEPENDENCY**

The District Attorney's office receives a majority of its funding through the Jefferson Parish Council, the State of Louisiana, and the Federal government through its Title IV-D contract. If significant budget cuts are made at the Federal, State, or local level, the amount of funds the District Attorney's office received could be reduced substantially, resulting in an adverse impact on its operations.

The District Attorney is not aware of any actions that will adversely impact the amount of funds to be received in the year ending December 31, 1997.

**NOTE 7 - LITIGATION**

The District Attorney's office is a named defendant in several lawsuits, which it is *vigorously defending*. Such matters arise out of the normal course of operations. While the results of litigation cannot be predicted with certainty, management believes, based on the advice of legal counsel, the final outcome of such litigation will not have a material adverse effect on the District Attorney's financial position.

**NOTE 8 - COMMITMENT**

During 1996, the District Attorney's office entered into a cooperative endeavor wherein the District Attorney entered into an agreement to partially fund a central criminal docket information management system to be used by the Clerk of Court, the District Attorney's Office, the Sheriff's Office and the Twenty-Fourth Judicial District Court. The estimated cost to the District Attorney is about \$550,000 expected to be expended in 1997.

## **SUPPLEMENTAL INFORMATION**

**DISTRICT ATTORNEY OF THE TWENTY-FOURTH JUDICIAL DISTRICT  
STATE OF LOUISIANA**

**AGENCY FUND**

Agency funds are used to account for assets held by the District Attorney as an agent for individuals, private organization, other governmental units, and/or other funds.

**Asset Forfeiture**

This fund is used to account for assets seized in narcotics cases in which the District Attorney has received the seized assets pending the final disposition of the case. The assets may ultimately be returned to the defendant from whom they were seized, transferred to another agency, or divided among the District Attorney; the Parish of Jefferson, as custodian of judicial funds; and the seizing agency. In the latter instance, the District Attorney is responsible for allocating the assets to the respective agencies net of the expenses incurred in handling the assets.

**DISTRICT ATTORNEY OF THE TWENTY-FOURTH JUDICIAL DISTRICT**  
**STATE OF LOUISIANA**  
**AGENCY FUND - ASSET FORFEITURE**  
**SCHEDULE OF CHANGES**  
**IN ASSETS AND LIABILITIES**  
 For the Year Ended December 31, 1996

	<u>Asset Forfeiture Fund</u>
DEPOSIT BALANCES DUE TO OTHERS AT JANUARY 1, 1996	\$149,347
ADDITIONS	
Deposits:	
Forfeitures	158,124
REDUCTIONS	
Deposits settled to:	
Litigants	7,789
District Attorney's Office	31,596
Other agencies	<u>127,991</u>
TOTAL REDUCTIONS	<u>167,376</u>
DEPOSIT BALANCES DUE TO OTHERS AT DECEMBER 31, 1996	<u><u>\$140,095</u></u>

See Independent Auditor's Report.



**COMPLIANCE AND  
INTERNAL CONTROL SECTION**

**SHARP & COMPANY**  
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

Paul D. Connick, Jr.  
District Attorney of the  
Twenty-Fourth Judicial District  
State of Louisiana

We have audited the general purpose financial statements of the District Attorney of the Twenty-Fourth Judicial District, as of and for the year ended December 31, 1996, and have issued our report thereon dated May 21, 1997.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. These 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.

The management of the District Attorney of the Twenty-Fourth Judicial District is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions, or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the District Attorney of the Twenty-Fourth Judicial District for the year ended December 31, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities 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 structure and its operation that we consider to be material weaknesses as defined above.

We noted other matters involving the internal control structure and its operation that we have reported to the District Attorney of the Twenty-Fourth Judicial District in a separate letter dated May 21, 1997.

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

## **Sharp & Company**

A Professional Accounting Corporation

Harvey, Louisiana

May 21, 1997

**SHARP & COMPANY**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
LAWS AND REGULATIONS BASED ON AN AUDIT OF GENERAL  
PURPOSE FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Paul D. Connick, Jr.  
District Attorney of the  
Twenty-Fourth Judicial District  
State of Louisiana

We have audited the general purpose financial statements of the District Attorney of the Twenty-Fourth Judicial District as of and for the year ended December 31, 1996, and have issued our report thereon dated May 21, 1997.

We conducted our audit in accordance with generally accepted auditing standards and *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.

Compliance with laws, regulations, contracts, and grants applicable to the District Attorney of the Twenty-Fourth Judicial District is the responsibility of management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the District Attorney's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed the following instances of noncompliance that are required to be reported herein under *Government Auditing Standards*.

### Finding

Budget amendments were not provided for public inspection by the District Attorney. Additionally, management could not provide a final approved budget by the District Attorney for 1996.

### Recommendation

In accordance with Louisiana Revised Statute (LRS) 39:1309, if total expenditures exceed \$250,000 per fiscal year, proposed budgets and/or amendments should be made available for public inspection by being published in an official journal or otherwise as set forth in LRS 39:1306(B). Additionally, the chief executive or administrative officer shall retain and file certified copies of the duly authorized budget and any amendments at the domicile of the governing authority.

### Response

The 1996 Administration states that the budget was approved by the District Attorney, however, approval documentation could not be located.

### Corrective Action

Management of the new administration is aware of and will comply with all applicable budget laws and regulations of the State of Louisiana in the future.

We considered these instances of noncompliance in forming our opinion on whether the District Attorney of the Twenty-Fourth Judicial District's 1996 general purpose financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated May 21, 1997, on those general purpose financial statements.

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

**Sharp & Company**

A Professional Accounting Corporation

Harvey, Louisiana

May 21, 1997

**SHARP & COMPANY**  
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**INDEPENDENT AUDITOR'S REPORT ON THE  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

Paul D. Connick, Jr.  
District Attorney of the  
Twenty-Fourth Judicial District  
State of Louisiana

We have audited the general purpose financial statements of the District Attorney of the Twenty-Fourth Judicial District as of and for the year ended December 31, 1996, and have issued our report thereon dated May 21, 1997. These general purpose financial statements are the responsibility of the District Attorney of the Twenty-Fourth Judicial District'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, *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free material misstatement. An audit in accordance with these standards includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the District Attorney of the Twenty-Fourth Judicial District taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

## **Sharp & Company**

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Harvey, Louisiana

May 21, 1997

**DISTRICT ATTORNEY OF THE TWENTY-FOURTH JUDICIAL DISTRICT**  
**STATE OF LOUISIANA**  
**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

For the Year Ended December 31, 1996

Description	CFDA Number	Grant Period		Assistance Received		Total		Total	
		From	Through	Federal	Local Match	Revenue Recognized	Expenditures	Federal	Local Match
U.S. Department of Health and Human Services Passed through Louisiana Department of Social Services, Office of Eligibility Determination. Support Enforcement Services Title IV-D incentive grant*	13.783	July 1, 1995	June 30, 1996	\$ 195,914	\$ -	\$ 195,914	\$ -	\$ -	\$ -
		July 1, 1996	June 30, 1997	110,279	-	110,279	-	-	-
				<u>\$306,193</u>	<u>\$ -</u>	<u>\$306,193</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

\* Revenue shown as "Title IV-D incentives" on Statement of Revenues, Expenditures, and Changes in Fund Balances. Nonmajor program.

See Independent Auditor's Report



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**INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL  
CONTROL STRUCTURE USED IN ADMINISTERING  
FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

Paul D. Connick, Jr.  
District Attorney of the  
Twenty-Fourth Judicial District  
State of Louisiana

We have audited the general purpose financial statements of the District Attorney of the Twenty-Fourth Judicial District for the year ended December 31, 1996, and have issued our report thereon dated May 21, 1997.

We conducted our audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, "Audits of State and Local Governments". Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing our audits for the year ended December 31, 1996, we considered the internal control structure of the District Attorney of the Twenty-Fourth Judicial District in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements of the District Attorney of the Twenty-Fourth Judicial District and to report on the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in separate report dated May 21, 1997.

The management of the District Attorney of the Twenty-Fourth Judicial District is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or

disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

**General Requirements**

Political activity  
External financial reporting  
Civil rights  
Cash management  
Federal financial reports  
Allowable costs/cost principles  
Drug-Free Workplace Act  
Administrative requirements

**Activity Cycles**

Purchases and disbursements  
Payroll and personnel

**Accounting Applications**

Purchasing and receiving

For all the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended December 31, 1996, the District Attorney of the Twenty-Fourth Judicial District received 100% of its total federal financial assistance under the Title IV-D Program, a nonmajor federal financial assistance program, and expended \$0.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the District Attorney of the Twenty-Fourth Judicial District's nonmajor federal financial assistance program, which is identified in the accompanying Schedule of Federal Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program 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 structure and its operation that we consider to be material weaknesses as defined above.

We noted other matters involving the internal control structure and its operation that we have reported to the management of the District Attorney of the Twenty-Fourth Judicial District in a separate letter dated May 21, 1997.

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

## **Sharp & Company**

A Professional Accounting Corporation

Harvey, Louisiana

May 21, 1997

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH THE GENERAL REQUIREMENTS APPLICABLE  
TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS**

Paul D. Connick, Jr.  
District Attorney of the  
Twenty-Fourth Judicial District  
State of Louisiana

We have audited the general purpose financial statements of the District Attorney of the Twenty-Fourth Judicial District, as of and for the year ended December 31, 1996, and have issued our report thereon dated May 21, 1997.

We have applied procedures to test the District Attorney of the Twenty-Fourth Judicial District's compliance with the following requirements applicable to its federal financial assistance program, which is identified in the Schedule of Federal Financial Assistance, for the year ended December 31, 1996:

- Political
- Civil rights
- Cash management
- Federal financial reports
- Allowable costs/cost principles
- Drug-free workplace
- Administrative requirements

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's *Compliance Supplement for Single Audits of State and Local Governments*. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the District Attorney of the Twenty-Fourth Judicial District's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the District Attorney of the Twenty-Fourth Judicial District had not complied, in all material respects, with those requirements.

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

## **Sharp & Company**

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May 21, 1997

## INTERNAL CONTROL COMMENT

### *Invoice Authorization*

#### Finding

During our testing of cash disbursements, for several transactions invoice approval for payment was not evident on the supporting vendor invoice. We were able to assure ourselves through alternate procedures, including a review of the canceled check, that the invoice was for a legal and legitimate expense of the office.

#### Recommendation

We recommend that all vendor invoices be approved for payment to verify receipt of the item in appropriate condition and that the invoice should be paid.

#### Response

Management of the new administration agrees and will have their administrative analyst review all vendor invoices attached to check requests prior to being forwarded for signature.