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*Financial Report*  
*Lafourche Parish Juvenile Justice Commission*  
*Thibodaux, Louisiana*  
*June 30, 1998*

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or comptroller, 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 SEP 23 1998

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June 30, 1998

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PRINCIPAL OFFICIALS

Lafourche Parish Juvenile Justice Commission

June 30, 1998

COMMISSION MEMBERS

OFFICE

Alice Bonnaval

Marion Fleming

Arthur J. Gaudreux

Lloyd J. Guidry, Sr.

Secretary/Treasurer

Peter J. O'Neil, Jr.

Gary Palmer

Markon Terry

President



Bourgeois Bennett

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Commissioners,  
Lafourche Parish Juvenile Justice Commission,  
Thibodaux, Louisiana.

We have audited the accompanying general-purpose financial statements of Lafourche Parish Juvenile Justice Commission (the Commission), a component unit of the Lafourche Parish Council, as of and for the year ended June 30, 1998, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Commission'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 Lafourche Parish Juvenile Justice Commission as of June 30, 1998, 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 July 22, 1998 on our consideration of the Lafourche Parish Juvenile Justice Commission's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants

Thibodaux, La.,  
July 22, 1998.

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P.O. Box 200  
Breaux 14 70049-2000  
Phone (504) 884-2000  
Fax (504) 884-2000

Certified Public  
Accountants (CPAs)  
Licensed Public Accountants

1  
1000 Lakes Blvd., Suite 200  
Breaux 14, Louisiana 70049  
Phone (504) 884-2000  
Fax (504) 884-2000

10000 Lakes Blvd., Suite 200  
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Breaux 14, Louisiana 70049  
Phone (504) 884-2000

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

Lafourche Parish Juvenile Justice Commission

June 30, 1998

	Governmental		Account Design		Total (Parentheticals Only)
	General	Capital Projects	General Fund Assets	General Long-Term Obligations	
<b>ASSETS AND OTHER DEBITS</b>					
<b>Assets</b>					
Cash	\$ 280,811	\$ 0,728	\$ -	\$ -	\$ 281,539
Investments	815,880	-	-	-	815,880
Receivables - taxes	17,940	-	-	-	17,940
Funds from the State of Louisiana	81,521	-	-	-	81,521
Fixed assets	-	-	2,836,377	-	2,836,377
<b>Other Debits</b>					
Amounts to be provided for retirement of general long-term obligations	-	-	-	45,451	45,451
<b>Total assets and other debits</b>	<u>\$ 855,452</u>	<u>\$ 1,728</u>	<u>\$ 2,836,377</u>	<u>\$ 45,451</u>	<u>\$ 3,338,958</u>
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>					
<b>Liabilities</b>					
Accounts payable and accrued expenditures	\$ 57,294	-	-	\$ -	\$ 57,294
Long-term obligations	-	-	-	85,451	85,451
<b>Total liabilities</b>	<u>57,294</u>	<u>-</u>	<u>-</u>	<u>85,451</u>	<u>142,745</u>
<b>Equity and Other Credits</b>					
Investment in general fund assets	-	-	\$ 2,836,377	-	2,836,377
Fund balance - unreserved	798,178	\$ 1,728	-	-	799,906
<b>Total equity and other credits</b>	<u>798,178</u>	<u>1,728</u>	<u>2,836,377</u>	<u>-</u>	<u>3,636,483</u>
<b>Total liabilities, equity and other credits</b>	<u>\$ 855,472</u>	<u>\$ 1,728</u>	<u>\$ 2,836,377</u>	<u>\$ 45,451</u>	<u>\$ 3,338,958</u>

See notes to financial statements.

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

**Lafourche Parish Juvenile Justice Committee**

For the year ended June 30, 1998

	General	Capital Project	Total (Miscellaneous Only)
<b>Revenues</b>			
Taxes - ad valorem	\$ 721,495	\$ -	\$ 721,495
Intergovernmental			
State of Louisiana	805,734	-	805,734
Other local governmental units	29,741	-	29,741
Charges for services	6,549	-	6,549
Miscellaneous			
Grant	90,768	-	90,768
Interest	34,888	26	34,914
Rent	7,328	-	7,328
Other	16,816	-	16,816
<b>Total revenues</b>	<u>1,756,810</u>	<u>26</u>	<u>1,756,836</u>
<b>Expenditures</b>			
Current			
General government:			
Ad valorem tax adjustment	10,611		10,611
Ad valorem tax deduction	21,459		21,459
<b>Total general government</b>	<u>32,070</u>		<u>32,070</u>
Public safety - special operational facilities:			
Personal services	1,233,284		1,233,284
Operating services	306,687		306,687
Supplies and materials	134,786		134,786
Travel and other charges	6,078		6,078
Capital expenditures	92,854		92,854
<b>Total public safety</b>	<u>1,663,574</u>		<u>1,663,574</u>
<b>Total expenditures</b>	<u>1,695,644</u>		<u>1,695,644</u>
<b>Excess of Revenues Over Expenditures</b>	61,166	26	61,192
<b>Fund Balances</b>			
Beginning of year	698,692	1,702	698,394
End of year	<u>\$ 764,178</u>	<u>\$ 1,728</u>	<u>\$ 769,596</u>

See notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL -  
GOVERNMENTAL FUND TYPE - GENERAL FUND**

**Lafourche Parish Juvenile Justice Commission**

For the year ended June 30, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Taxes - ad valorem	\$ 690,000	\$ 721,495	\$ 31,495
Intergovernmental:			
State of Louisiana	891,400	885,734	(5,666)
Other local governmental units	30,000	29,741	(259)
Charges for services	5,000	4,540	(460)
Miscellaneous:			
Grant	90,360	90,288	(72)
Interest	28,000	34,888	(6,120)
Rent	8,000	7,328	(672)
Other	-	18,816	18,816
<b>Total revenues</b>	<u>1,742,760</u>	<u>1,754,810</u>	<u>14,050</u>
<b>Expenditures</b>			
Current:			
General government:			
Ad valorem tax adjustment	-	10,613	(10,613)
Ad valorem tax deflection	20,000	21,439	(1,439)
<b>Total general government</b>	<u>20,000</u>	<u>32,052</u>	<u>(12,052)</u>
Public safety - special correctional facilities:			
Personal services	1,398,000	1,222,261	(24,201)
Operating services	193,200	206,697	(13,497)
Supplies and materials	132,400	134,786	(2,386)
Travel and other charges	11,800	6,676	4,324
Capital expenditures	32,300	52,854	(20,554)
<b>Total public safety</b>	<u>1,587,700</u>	<u>1,623,274</u>	<u>(36,174)</u>
<b>Total expenditures</b>	<u>1,607,700</u>	<u>1,655,324</u>	<u>(48,224)</u>
<b>Excess of Revenues Over Expenditures</b>	<u>\$ 135,060</u>	<u>109,486</u>	<u>\$ (24,174)</u>
<b>Fund Balance</b>			
Beginning of year		<u>698,692</u>	
End of year		<u>\$ 708,178</u>	

See notes to financial statements.

**NOTES TO FINANCIAL STATEMENTS****Lafourche Parish Juvenile Justice Commission**

June 30, 1998

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

The Lafourche Parish Juvenile Justice Commission (the Commission) was created in 1978 under the provisions of Article VI, Sections 5 and 15 of the Constitution of the State of Louisiana of 1974, and Article III of the Home Rule Charter of the Parish of Lafourche to acquire and administer a juvenile justice facility or facilities.

The powers of the Commission and the control and management of the affairs of the Commission are vested in a board of commissioners composed of seven qualified electors residing in Lafourche Parish. The commissioners are appointed by the Lafourche Parish Council from names submitted by the Lafourche Parish District Judges, the Lafourche Parish School Board and by members of the Lafourche Parish Council from the North, South and Central regions of the Parish.

The accounting and reporting policies of the Commission conform to 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. The following is a summary of significant accounting policies:

**a) Reporting Entity**

The Commission is a component unit of the Lafourche Parish Council.

The Commission has reviewed all of its activities and determined there are no potential component units which should be included in its financial statements.

**b) Fund Accounting**

The Commission 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.



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

**b) Fund Accounting (Continued)**

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.

**Governmental Funds**

Governmental Funds are those through which most governmental functions of the Commission are financed. The acquisition, use and balances of the Commission's expendable financial resources and the related liabilities are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the Governmental Funds of the Commission:

**General Fund** - The General Fund is the general operating fund of the Commission. It is used to account for all financial resources except those that are required to be accounted for in another fund.

**Capital Projects Fund** - The Capital Projects Fund is used to account for the financial resources to be used for the acquisition or construction of major capital facilities.

**Account Groups**

The General Fixed Assets Account Group is used to account for fixed assets not accounted for in proprietary or trust funds. The General Long-Term Obligations Account Group is used to account for general long-term obligations and certain other liabilities that are not specific liabilities of proprietary or trust funds.

**c) Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

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

**c) Basis of Accounting (Continued)**

All Governmental Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Ad valorem taxes and the related state revenue sharing (intergovernmental revenues) are considered "measurable" at the time of levy. Intergovernmental revenues (state and local charges) consist of per diem funding received on a per client/unit basis. These funds, along with charges for services, are recorded when earned since they are measurable and available. Miscellaneous revenues are recorded as revenues when received in cash by the Commission or an intermediary collecting agency because they are generally not measurable until actually received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule are principal and interest on general long-term obligations which are recognized when due and vacation and sick leave which are recognized when paid.

**d) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**e) Operating Budgetary Data**

As required by the Louisiana Revised Statutes 39:1363, the Board of Commissioners adopted a budget for the Commission's General Fund. The budgetary practices include public notice of the proposed budget, public inspection of the proposed budget and public hearings on the budget prior to adoption. Any amendment involving the transfer of monies from one function to another or increases in expenditures at the functional level must be approved by the Commission. The Commission amended its budget once during the year. All budgetary accounts which are not expended, or obligated through contracts, lapse at year end.

The General Fund budget is adopted on a basis materially consistent with generally accepted accounting principles.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) **Bad Debts**

The financial statements for the Commission contain no allowance for bad debts. Uncollectible amounts due for ad valorem taxes and other receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the funds.

g) **Investments**

Investments consist of certificates of deposit and are stated at cost, which approximates market.

h) **Fixed Assets and Long-Term Obligations**

The accounting and reporting treatment applied to the fixed assets and long-term obligations associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain ("infrastructure") fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage system and lighting systems, are not capitalized along with other fixed assets. No depreciation has been provided on fixed assets.

All fixed assets are valued at historical cost.

Long-term obligations expected to be financed from governmental funds are accounted for in the General Long-Term Obligations Account Group, not in the governmental funds.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**k) Fixed Assets and Long-Term Obligations (Continued)**

The two account groups are not "blended". They are concerned only with the measurement of financial position. They are not involved with the measurement of results of operations.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Obligations Account Group.

**l) Vacation and Sick Leave**

Accumulated vacation and sick leave are recorded as an expenditure of the period in which paid. At the end of each calendar year accumulated vacation is carried forward to the next year. At no time can an employee's accumulated balance exceed 15 days more than the rate of accrual. Sick leave can be accumulated to a maximum of 130 days. All accumulated vacation vests to the employee; however, all accumulated sick leave lapses at separation of employment. Vesting vacation has been recorded in the General Long-Term Obligations Account Group.

**j) Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledgers, is not utilized by the Commission.

**k) Memorandum Only - Total Columns**

The total columns on the general-purpose financial statements are captioned "Memorandum Only" because they do not represent consolidated financial information and are presented only to facilitate financial analysis. The columns do not present information that reflects financial position or results of operations, in accordance with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

Note 2 - DEPOSITS

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of state or national banks having their principal office in Louisiana or any other federally insured investment.

State law also requires that deposits (cash and certificates of deposit) of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the market value of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision. In accordance with state law all cash and deposits were collateralized.

Cash and deposits are categorized into three categories of credit risk.

Category 1 includes deposits covered by federal depository insurance or by collateral held by the Commission or its agent in the Commission's name.

Category 2 includes deposits covered by collateral held by the pledging financial institution's trust department or its agent in the Commission's name.

Category 3 includes deposits covered by collateral held by the pledging financial institution, or its trust department or agent but not in the Commission's name and deposits which are uninsured or uncollateralized.

The year-end bank balances of deposits and the carrying amounts as shown on the combined balance sheet are as follows:

	Bank Balances			Book Balance
	Category			
	1	2	3	
Cash	\$100,000	\$ -	\$143,580	\$243,580
Investments:				
Certificates of deposit	<u>100,000</u>	<u>-</u>	<u>425,000</u>	<u>525,000</u>
Totals	<u>\$200,000</u>	<u>\$ -</u>	<u>\$568,580</u>	<u>\$768,580</u>

**Note 2 - DEPOSITS (Continued)**

At June 30, 1998, cash and certificates of deposit in excess of the FDIC insurance were collateralized by securities held by unaffiliated banks for the account of the Commission. The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities uncollateralized. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

**Note 3 - PROPERTY TAXES**

The Commission recognizes property tax assessments as revenue in the period in which the taxes are levied. Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Parish. Assessed values are established by the Lafourche Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A reevaluation of all property is required to be completed no less than every four years. The last reevaluation was completed for the list of January 1, 1996. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The tax rate for 1997 was \$3.20 per \$1,000 of assessed valuation on property within Lafourche Parish for the purpose of maintaining and operating the facilities.

**Note 4 - DUE FROM THE STATE OF LOUISIANA**

Amounts due from the state of Louisiana at June 30, 1998 consisted of the following:

Department of Social Services	\$72,002
Department of Education	6,518
Department of Public Safety	<u>3,891</u>
Total	<u>\$82,411</u>

**Note 5 - CHANGES IN FIXED ASSETS**

A summary of changes in fixed assets follows:

	Balance July 1, 1997	Addi- tions	Deli- tions	Adjust- ments	Balance June 30, 1998
Buildings	\$2,477,077	\$23,800	\$ -	\$(15,015)	\$2,515,862
Furniture, fixtures and equipment	<u>326,896</u>	<u>25,814</u>	<u>28,852</u>	<u>(15,015)</u>	<u>335,647</u>
<b>Totals</b>	<u>\$2,813,973</u>	<u>\$49,614</u>	<u>\$28,852</u>	<u>\$ -</u>	<u>\$2,836,537</u>

The adjustment reflects the reclassification of an asset.

The juvenile justice facility is on a 10.0 acre tract of land that is owned by the Lafourche Parish Council. The land is being used under an intergovernmental agreement between the Council and the Commission at no cost to the Commission.

**Note 6 - LONG-TERM OBLIGATIONS**

Compensated absences (accumulated vacation and sick leave) are discussed in Note 11. The Commission's commitment to fund such costs from future operations has been recorded in the General Long-Term Obligations Account Group.

The following is a summary of the changes in long-term obligations of the Commission:

Long-term obligations, July 1, 1997	\$34,384
Net increase in accumulated unpaid vacation	<u>11,862</u>
Long-term obligations, June 30, 1998	<u>\$46,246</u>

**Note 7 - LEASE COMMITMENTS**

Commitments under a lease agreement for a vehicle provide for future minimum annual rental payments of \$4,114 and \$686 for the years ending June 30, 1999 and 2000, respectively. At completion of the lease term, the Commission has guaranteed the lessee a residual value of \$94,895 and a mileage allowance if the vehicle exceeds a set mileage rate and is not purchased. Rental expense incurred under the lease for the year ended June 30, 1998 was \$4,114.

**Note 8 - DEFERRED COMPENSATION PLAN**

Employees of the Lafourche Parish Juvenile Justice Commission have the option to participate in a deferred compensation program. The maximum compensation deferred under the plan for the participant's taxable year shall not exceed the amount as defined by Internal Revenue Code Section 457.

Additional deferrals are allowed in certain years prior to retirement. The Commission matches the employees' contributions up to 7%.

The Commission has the responsibility for withholding and resulting contributions from participants to the plan. Great-West Life, who serves as administrator, has the responsibility for maintaining a deferred account with respect to each participant, investing the participant's account in accordance with the participant's investment specification and reporting annually to the participant on the status of the plan.

All assets of the plan, including all deferred amounts and all income attributable to such deferred amounts, are the assets of the State of Louisiana and are subject to all the claims of creditors of the State of Louisiana. Legally, the amounts deferred are the property of the State of Louisiana, even though the funds have been carried by the employee and represent a portion of the employee's gross salary. Legal ownership of the plan assets does not vest with the employee until those amounts become due and payable to the employee under the terms of the plan. A participant who becomes eligible to receive distributions from the plan but chooses instead to receive the deferred amounts over a period of time remains a general creditor the same as those participants who are still active or otherwise ineligible.

Assets of the plan are reported as an Agency Fund in the financial statements of the State of Louisiana. Records for individual funds are not being maintained.

**Note 9 - COMPENSATION OF BOARD MEMBERS**

No compensation was paid to Board Members for the year ended June 30, 1998.



**SPECIAL REPORT OF CERTIFIED PUBLIC ACCOUNTANTS**



Bourgeois Bennett

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

To the Board of Commissioners,  
Lafourche Parish Juvenile Justice Commission,  
Thibodaux, Louisiana

We have audited the general-purpose financial statements of Lafourche Parish Juvenile Justice Commission (the Commission), a component unit of the Lafourche Parish Council, State of Louisiana, as of and for the year ended June 30, 1998, and have issued our report thereon dated July 22, 1998. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Commission'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 these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Commission'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 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 operations that we consider to be material weaknesses.

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

*Bourgeois Bennett, L.L.C.*

Certified Public Accountants.

Thibodaux, La.,  
July 22, 1998.



## REPORTS BY MANAGEMENT

## **SCHEDULE OF PRIOR YEAR FINDINGS**

### **Lafourche Parish Juvenile Justice Commission**

**For the year ended June 30, 1998**

#### **Section I Internal Control and Compliance Material to the General-Purpose Financial Statements**

##### **Internal Control**

No material weaknesses were reported during the audit for the year ended June 30, 1997.

No reportable conditions were reported during the audit for the year ended June 30, 1997.

##### **Compliance**

No compliance findings material to the general-purpose financial statements were noted during the audit for the year ended June 30, 1997.

#### **Section II Internal Control and Compliance Material to Federal Awards**

Lafourche Parish Juvenile Justice Commission did not receive federal awards during the year ended June 30, 1997.

#### **Section III Management Letter**

A management letter was not issued in connection with the audit for the year ended June 30, 1997.

## **MANAGEMENT'S CORRECTIVE ACTION PLAN**

### **Lafourche Parish Juvenile Justice Commission**

For the year ended June 30, 1998

#### **Section I Internal Control and Compliance Material to the General-Purpose Financial Statements**

##### **Internal Control**

No material weaknesses were reported during the audit for the year ended June 30, 1998.  
No reportable conditions were reported during the audit for the year ended June 30, 1998.

##### **Compliance**

No compliance findings material to the general-purpose financial statements were noted during the audit for the year ended June 30, 1998.

#### **Section II Internal Control and Compliance Material to Federal Awards**

Lafourche Parish Juvenile Justice Commission did not receive federal awards during the year ended June 30, 1998.

#### **Section III Management Letter**

A management letter was not issued in connection with the audit for the year ended June 30, 1998.

**COMMUNICATIONS LETTER**





Bourgeois Rennell

## COMMUNICATIONS WITH BOARD OF COMMISSIONERS

To the Board of Commissioners,  
Lafourche Parish Juvenile Justice Commission,  
Thibodaux, Louisiana.

We have audited the general-purpose financial statements of Lafourche Parish Juvenile Justice Commission (the Commission) for the year ended June 30, 1998, and have issued our report thereon dated July 22, 1998. Professional standards require that we provide you with the following information related to our audit.

### 1) OUR RESPONSIBILITY UNDER GENERALLY ACCEPTED AUDITING STANDARDS AND GOVERNMENT AUDITING STANDARDS

As stated in our engagement letter, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance about whether the general-purpose financial statements are free of material misstatement. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, fraud or other illegal acts may exist and not be detected by us.

As part of our audit, we considered the internal control of the Commission. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Commission's compliance with certain provisions of laws, regulations, contracts and grants. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

### 2) SIGNIFICANT ACCOUNTING POLICIES

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their applications. The significant accounting policies used by the Commission are described in Note 1 to the general-purpose financial

2) SIGNIFICANT ACCOUNTING POLICIES (Continued)

statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 1998. We noted no transactions entered into by the Commission during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

3) ACCOUNTING ESTIMATES

Accounting estimates are an integral part of the general-purpose financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the general-purpose financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements relate to the collectibility of accounts receivable and valuation of accrued expenditures. We evaluated the key factors and assumptions used to develop the estimates in determining that it is reasonable in relation to the financial statements taken as a whole. Management has provided us with representations concerning estimates.

4) SIGNIFICANT AUDIT ADJUSTMENTS

We did not initiate any significant audit adjustments during our recent audit. Year end adjustments and closing entries were prepared and provided to management.

This information is intended solely for the use of the Board of Commissioners and management of Lafourche Parish Juvenile Justice Commission and should not be used for any other purpose. However, this report is a matter of public record, and its distribution is not limited.

*Bourgeois Bennett, LLC*

Certified Public Accountants