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EAST BATON BOUGH PARISH
JUVENILE COURT
BATON BOUGH, LOUISIANA

OCTOBER 11, 1966

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Release Date 9-9-66

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Page 1 of 2 pages

INDEPENDENT AUDITOR'S REPORT

Honorable Judges of the
East Baton Rouge Parish Juvenile Court

We have audited the accompanying general purpose financial statements of the East Baton Rouge Parish Juvenile Court as of December 31, 1995, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the East Baton Rouge Parish Juvenile Court'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 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. 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 in the first paragraph present fairly, in all material respects, the financial position of the East Baton Rouge Parish Juvenile Court as of December 31, 1995, and the results of its operations and the changes in fund balances for the year then ended, in conformity with generally accepted accounting principles.

L.A. Champagne & Co., L.L.P.
Date 12, 1995

**EAST BATON ROUGE PARISH JUVENILE COURT
COMBINED BALANCE SHEET -
ALL FUND TYPES AND ACCOUNT GROUPS**

December 31, 1995

	Governmental Fund Type		Proprietary Fund Type		Account Group		Total Proprietary Fund Type
	General Fund	Special Revenue	Agency Fund	Special Revenue	General Fund	Special Revenue	
ASSETS							
Cash.....	\$ 566,179	\$ 15,408	\$ 15,729	\$ -	\$ -	\$ -	\$ 597,316
Accounts receivable.....							
Inter-governmental.....							
Over-levied.....	22,852	-	-	-	-	-	22,852
State of Louisiana.....	19,390	-	-	-	-	-	19,390
Other.....	1,142	-	-	-	-	-	1,142
Due from other funds.....	58	-	-	-	-	-	58
Fixed assets.....					503,879		503,879
Other assets.....							
Equipment - assets.....	48	-	-	-	-	-	48
Travel, computers.....	252	-	-	-	-	-	252
Amounts to be provided for retirement of long-term debt.....	-	-	-	-	15,861	-	15,861
Total assets and other debits.....	\$ 598,479	\$ 15,408	\$ 15,729	\$ -	\$ 503,879	\$ 15,861	\$ 1,133,754
LIABILITIES AND FUND EQUITY							
CURRENT LIABILITIES							
Accounts payable.....	\$ 8,479	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,479
Accrued salaries.....	5,816	-	-	-	-	-	5,816
Accrued other liabilities.....	-	-	-	-	-	-	-
Due to other governmental agencies.....	5,805	-	-	-	-	-	5,805
Due to other funds.....	-	-	58	-	-	-	58
Total current liabilities.....	\$ 19,900	\$ -	\$ 58	\$ -	\$ -	\$ -	\$ 19,958
LONG-TERM LIABILITIES							
Accrued compensated absences.....					15,861		15,861
Total liabilities.....	\$ 19,900	\$ -	\$ 58	\$ -	\$ 15,861	\$ -	\$ 35,819

Continued . . .

	Governmental fund type		Subsidiary fund type	Amount Group		TOTAL (Amount within GGF)
	General	Special services		General Fund	Other Fund	
from assets transferred to general fund assets fund balance:						
Reserved for repatriation to crisis victims.....	20,000					20,000
Current-undesignated.....	500,000	20,000	Agency			520,000
Total fund equity.....	520,000	20,000		217,000		737,000
Total liabilities and fund equity.....	520,000	20,000	20,000	217,000	70,000	737,000

See accompanying notes

**EAST BATON ROUGE PARISH JUVENILE COURT
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUND TYPES**

For the year ended December 31, 2000

	Governmental Fund Type		Total (Memorandum only)
	General	Special Revenue	1990
REVENUES			
Intergovernmental:			
Louisiana Commission on Law Enforcement grant.....	\$ 7,000	\$ -	\$ 7,000
Non-support fees.....	291,000	-	291,000
Juvenile traffic/crime fines.....	14,729	13,154	27,883
Drug screening fees.....	300	-	300
Interest.....	4,389	263	4,652
Miscellaneous revenues.....	91	-	91
Total revenues.....	318,239	13,417	331,656
EXPENDITURES			
Juvenile Court:			
Current:			
Court operations:			
Salaries and related pay- roll expenses.....	47,452	-	47,452
Professional services.....	6,535	-	6,535
Computer supplies.....	24,562	-	24,562
Office supplies and expenses.....	5,880	-	5,880
Miscellaneous.....	284	-	284
Non-support program:			
Salaries and related pay- roll expenses.....	312,562	-	312,562
Retirement expenses.....	11,976	-	11,976
Professional services.....	840	-	840
computer supplies.....	4,432	-	4,432
office supplies and expenses.....	3,624	-	3,624
Telephone.....	4,139	-	4,139
Bank service charges.....	2,194	-	2,194
Miscellaneous.....	1,436	-	1,436
Reparations to crime victims....	-	1,300	1,300
Total current.....	328,826	1,300	330,126

Continued . . .

	Governmental Fund Type		Total (Memorandum only)
	General	Special Revenue	1996
Capital outlay:			
Computer equipment.....	12,042	-	12,042
Office equipment.....	8,518	-	8,518
Furniture and fixtures.....	8,781	-	8,781
Total capital outlay.....	30,141	-	30,141
Total expenditures.....	258,957	1,300	260,157
EXCESS OF REVENUE OVER EXPENDITURES	58,278	12,308	71,483
Fund balance - beginning of year.....	344,517	10,425	374,942
Fund balance - end of year.....	\$ 402,795	\$ 22,733	\$ 425,528

See accompanying notes

**EAST BATON ROUGE PARISH JUVENILE COURT
NOTES TO FINANCIAL STATEMENTS**

December 31, 1995

A1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The East Baton Rouge Parish Juvenile Court was established by a legislative act during 1992 and is provided for under Louisiana Revised Statutes Sections 13:1621 through 13:1634. The Juvenile Court has jurisdiction regarding the interest of children alleged to be delinquent, abandoned, neglected, or otherwise in need of supervision or care.

The Court also carries on certain auxiliary activities including those related to the expedited process for establishment and enforcement of child support obligations under RS 48:2045, the maintenance of a victim of juvenile crime compensation fund under RS 13:1581 and the maintenance of a court registry for appearance bond deposits under Article 828 of the Louisiana Children Code.

Reporting entity

The Court's statutory authority provides that the governing authority of the Parish of East Baton Rouge shall provide quarters for the court and provide for the conduct of the Court's business and all necessary expenses incurred in connection with its operations. Therefore the financial transactions of the Court are reflected in the financial statements of the City of Baton Rouge and the Parish of East Baton Rouge, Louisiana (City-Parish).

However, the financial transactions resulting from certain auxiliary activities of the Court are accounted for by the governing authority of the Parish of East Baton Rouge including those related to the expedited process for establishment and enforcement of child support obligations under RS 48:2045, the maintenance of a victim of juvenile crime compensation fund under RS 13:1581 and the maintenance of a court registry for appearance bond deposits under Article 828 of the Louisiana Children Code are reported in these financial statements.

Therefore, for financial reporting purposes and in conformity with the criteria established in Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity, the auxiliary operations of this court represent a separate stand-alone reporting entity.

Basis of presentation

The accompanying general purpose financial statements of the East Baton Rouge Parish Juvenile Court have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The accounts of the Court are organized on the basis of funds and account groups, each of which is a separate accounting entity. Funds are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues

A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

and expenditures or expenses as appropriate. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are spent and the means by which spending activities are controlled. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn is divided into separate "fund types."

Governmental funds are used to account for general activities, including the collection and disbursement of earmarked monies (special revenue funds). The funds of the Court are described as follows:

The general fund is used to account for all activities of the Court not accounted for in some other fund particularly the operations related to enforcement of child support obligations.

The special revenue fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, particularly the activities of the victims of juveniles crime compensation fund.

Fiduciary funds are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Fiduciary funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The agency fund is used to account for assets held by the Court as an agent for individuals and other organizations.

Basis of accounting

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. The operating statement of those funds presents increases and decreases in net current assets.

The Court's governmental and agency funds are maintained on the modified accrual basis of accounting wherein revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred.

The fees for processing support payments are recognized in the period the payments are received, and fines are recognized when collected.

Transfers between funds which are not expected to be repaid are accounted for as other financing sources (income).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and budgetary accounting

Generally accepted accounting principles require presentation of a budgetary comparison for the general purpose financial statements if such budgets have been legally adopted. The Court believes its auxiliary activities reflected in these financial statements are not subject to any legal budgetary requirements under their enabling acts. Therefore, no legal budget was prepared or adopted for 1995, and statements of revenues, expenses and changes in fund balance - budget and actual for the general and special revenue funds are not required to be presented in the financial statements.

Fixed assets

Fixed assets are recorded as expenditures when acquired in the fund used to acquire them. The related assets are reported in the general fixed asset account group. All fixed assets are valued at historical cost and no depreciation is charged against them. Fixed assets reported herein include only those assets purchased by the Court, and do not reflect assets of the court obtained from other sources.

Long-term debt

Long-term liabilities including those for compensated absences financed from governmental funds are accounted for in the general long-term debt account group.

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting under which purchase orders, contracts, and other commitments for expenditures of resources are recorded to reserves that portion of the applicable appropriation is not utilized by the Court. Encumbrances at year end, even if utilized, would not be considered expenditures in the financial statements presented on the GAAP basis. However, encumbrances would be considered part of the budgetary process and would be included in actual expenditures when a comparison with budget is necessary.

Compensated absences

Annual vacation leave accrues in accordance with an employee's length of service. Annual leave may accumulate up to the number of days which can be earned during the five most recent years of employment limited to a maximum total accumulation of one hundred twenty (120) days. Annual leave is payable for actual vacation days and accumulations are payable upon termination, retirement or death.

Certain employees may accrue compensatory time in lieu of overtime payment for up to thirty (30) days. The compensatory leave is payable upon termination, retirement or death.

Sick leave accrues on the same basis as does annual vacation leave and may accumulate without limit. However sick leave is payable only upon absence from work for designated medical reasons. Accumulated sick leave is non-assignable.

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In accordance with GASB Statement No. 16, which requires the accrual for vacation leave and compensatory time to the extent it is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement, the Court has recorded a liability as of December 31, 1995 for a total of \$694 of the accrued vacation for each employee up to a maximum of 120 days and accrued compensatory time up to a maximum of 30 days at the employee's current rate of pay. Additionally, applicable percentages of retirement contributions, social security, and medicare have been added to the above accruals.

GASB Statement No. 16 requires the accrual for accumulated sick leave only if it is probable that the employer will compensate the employees for the benefits through cash payments conditioned on the employee's termination or retirement. Since accumulated sick leave is not compensable in any case, no amount has been accrued.

The amounts shown for fiscal year 1995 in the accompanying financial statements for accrued compensated absences represent a liability of the Court for all its employees except the judges and hearing officer because such compensation in excess of the City-Parish annual budget allowances would be paid out of Court funds.

Management has determined that payments for accrued compensated absences will likely be paid from future years' resources, and, therefore, are reported in the general long-term debt account group.

Memorandum only - total columns

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position and results of operations in conformity with generally accepted accounting principles nor in such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

B: CASH

Cash includes amounts held in demand deposit accounts. Under state law, the Court may deposit funds in interest-bearing or noninterest-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.

At December 31, 1996, the Court had cash (book balances) as follows:

Interest-bearing demand deposits.....	\$ 14,753
Other demand deposits.....	332,286

As required under GASB 3, the Court's cash deposits are categorized to give an indication of the level of risk assumed by the Court at year end. Category 1 includes deposits that are insured or registered, or otherwise secured by securities held by the Court or

B. CASH (Continued)

its agent in the Court's name. Category 2 includes uninsured and unregistered deposits secured with securities held by the financial institution, its trust department or agent in the Court's name. Category 3 includes uninsured and unregistered deposits secured with securities held by the financial institution, its trust department or agent, but not in the Court's name. At December 31, 1995, the bank balance of cash deposits are categorized as follows:

	-----Category-----			Bank Balance
	1	2	3	
Cash in bank...	100,000 \$	- \$	200,949 \$	300,949

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of MARR Statement 3, Louisiana Revised Statute 28:1222 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 15 days of being notified by the court that the fiscal agent has failed to pay deposited funds upon demand.

C. FIXED ASSETS

A summary of changes to fixed assets for the year ended December 31, 1995 is as follows:

	Computer Equipment	Office Equipment	Furniture and Fixtures	Total
Balance, beginning of year.....	\$ 188,810	\$ 8,518	\$ 12,781	\$ 209,109
Additions:				
Computer equipment.....	50,942	-	-	50,942
Office equipment.....	-	8,518	-	8,518
Office furniture.....	-	-	8,781	8,781
	28,842	8,518	8,781	46,141
Balance, end of year.....	\$ 187,672	\$ 18,344	\$ 21,562	\$ 227,578

D. INTERFUND TRANSACTIONS

The following is a summary of amounts due from and due to other funds at December 31, 1995:

	Due From	Due to
General fund		
Special revenue fund...\$	50	\$ -
Special revenue fund		
General fund.....	-	50
	\$ 50	\$ 50

E: SALARY EXPENDITURES

The Court administers the payroll for all Juvenile Court employees excluding the judges. The City-Parish reimburses the Court for those salaries disbursed by the Court but appropriated in the City-Parish budget. The amounts shown in the accompanying financial statements are the actual salary expenditures of the Court and do not include any amounts for salaries reimbursed by the City-Parish.

F: PENSION PLANS

Full time Juvenile Court employees except the non-support hearing officer whose salaries are paid from either Court funds or through an appropriation from the City-Parish are members of the Employees' Retirement System of the City of Baton Rouge and the Parish of East Baton Rouge (The System). The System is a defined-benefit, cost sharing, multiple employer pension plan that provides retirement benefit for all full-time City Parish employees and various related agencies and entities and is controlled and governed by a separate board of trustees.

Contributions of the City-Parish and participating agencies and entities are pooled in the System to fund accrued benefits. Employee and employer contribution rates are determined actuarially and established by the board of trustees annually.

The covered payroll for employees of all participating agencies in the System totaled \$104,403,384 for the year ended December 31, 1995. For 1995, the total Court payroll was \$149,374 and its payroll covered by the System was \$47,799.

Benefits vest with twelve years of service. Benefit payments are classified as either full retirement benefits or minimum eligibility benefits. Full retirement benefits are granted with 25 years of service, regardless of age while minimum eligibility benefits are granted at age 55 with 10 years of service, or 10 years of service regardless of age. Full retirement benefits are defined as 34 of average compensation times the number of years of service while minimum eligibility benefits are defined as 2.5% of average compensation times the number of years of service. Average compensation is determined by the highest average compensation in 36 consecutive months. However, benefits may not exceed 90% of average compensation. Benefits are reduced 3% for each year below age 55, if each service is less than 25 years.

The City-Parish requires that the system be funded on an actuarially sound basis. Under the plan, both employees and employers contribute to the system. Covered employees make a mandatory contribution of 8% and the employer rate, 13% for 1995, is determined annually by actuarial valuation.

The pension benefit obligation is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and any stop-rate benefits, estimated to be payable in the future as a result of employee service to date as defined by GASB Statement No. 5. The measure, which is the actuarial present value of credited projected benefits, is intended

7. PENSION PLANS (Continued)

to help users assess the system's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems and employers. The Retirement System does not make separate measurements of assets and pension benefit obligations for individual employers. The pension benefit obligation of the Retirement System is based on the standardized measurement established by GASB Statement No. 5 and is independent of the actuarial computation made to determine contributions to the system.

The following information regarding the system's pension benefit obligation is based on the December 31, 1995, actuarial valuation.

Total pension benefit obligation.....	\$669,779,019
Net assets available for benefits.....	486,178,098

Unfunded pension benefit obligation.....	\$183,600,921

The required City-Parish contribution is determined each year by the retirement system's actuary. The actuary determines reserves required to liquidate benefits payable to persons drawing pensions and determines reserve requirements for active employees on an actuarial basis. The actuarial method used by the Retirement System's actuary for the period ending December 31, 1995, was the "Entry Age Normal Actuarial Cost Method with Unfunded Actuarial Accrued Liability."

The "Entry Age Normal Actuarial Cost Method with Unfunded Actuarial Accrued Liability" was chosen by the Retirement System's actuary because it compares the theoretical reserve for service prior to the valuation date to plan assets. With the entry age method, the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over both the earnings and service of the individual between entry age (date of membership in the retirement system) and assumed exit age(s).

As of December 31, 1995, Normal Cost (that portion of an actuarial valuation allocated to a valuation year) under the entry age method was \$7,543,054, while the amortization of the actuarial accrued unfunded liability was \$23,888,816 for a total actuarially determined employer contribution of \$31,431,870. This compares to a normal cost of \$21,888,393 at December 31, 1994. Under the entry age actuarial method, the actuarial gains (losses), as they occur, reduce (increase) the unfunded actuarial accrued liability.

Significant actuarial assumptions used to compute pension contribution requirements are the same as those used to determine the standardized measure of the pension benefit obligation discussed above.

The required contribution expressed as a level percentage of salaries was 13% by the employer and 8% by the employee during 1995. The actuarially determined contribution requirement for the Retirement System is computed on a composite basis for all

F: PENSION PLANS (Continued)

employees in the system (i.e. City-Parish and BECC) rather than on an individual employer basis. The City-Parish's required contributions represent 86.2% of total contributions required of the participating entities and is based on a pro-rata share of payroll between the City-Parish and BECC.

Historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's December 31, 1979, comprehensive annual financial report. The Court does not guarantee the benefits granted by the System.

G: OTHER POSTEMPLOYMENT BENEFITS

In addition to the pension benefits described in Note F, the City-Parish provides post retirement health care benefits. Employees are eligible to continue participation in the health, dental and life insurance programs upon retirement.

Health and dental benefits

Employees may at their option participate in the group health and dental insurance program. Employees are offered their choice of two health maintenance organizations or an indemnity plan for health benefits. Employees may also participate in the indemnity plan for dental benefits. Upon retirement the employee may continue his coverage with the same benefits available to active employees. The minimum premium plan is funded with employees and retirees contributing 38% of the premium and the Parish of East Baton Rouge contributing 62% of the premium. Retirees may continue coverage in accordance with Parish Resolution 10178 adopted by the Parish Council on December 13, 1972. The portion paid by the Parish of East Baton Rouge of the postretirement benefit for health and dental coverage is funded on a pay-as-you-go basis from the City-Parish General Fund-Risk Management budget.

Life insurance benefits

In accordance with City Resolution 2022 and Parish Resolution 12878 adopted by the respective councils on April 24, 1978, all employees who retire after May 1, 1976, have \$3,000 of term life insurance coverage. The cost of this insurance is paid by the City-Parish through an actuarially determined monthly assessment of 70 cents per active employee. The premium is paid into an Insurance Contingence Fund Account.

Expenditures for these benefits are not recognized by the Court since they are provided by the City-Parish.

H: CONCENTRATIONS OF CREDIT RISK

Intergovernmental receivables represent amounts due from the City-Parish and the State of Louisiana. Other receivables consist of amounts due from vendors.

I. EXPENDITURES OF THE JUVENILE COURT PAID BY THE CITY-PARISH

Certain operating expenditures of the juvenile court are paid by the City-Parish and are not included in the accompanying financial statements. The City-Parish has a calendar year end, and the expenditures for the operation of the juvenile court for the year ended December 31, 1966 are summarized as follows:

Personal services.....	\$160,866
Employee benefits.....	78,111
Supplies.....	31,738
Contractual services.....	27,938

Total.....	\$478,634

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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**

Honorable Judges of the
East Baton Rouge Parish Juvenile Court

We have audited the general purpose financial statements of the East Baton Rouge Parish Juvenile Court as of and for the year ended December 31, 1995, and have issued our report thereon dated June 19, 1996.

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.

The management of the East Baton Rouge Parish Juvenile Court 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 East Baton Rouge Parish Juvenile Court for the year ended December 31, 1995, 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

Continued . . .

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.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgement, would adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general purpose financial statements.

Because of a limited number of available personnel, it is not always possible to adequately segregate certain incompatible duties, so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction. Consequently, the possibility exists that unintentional or intentional errors or irregularities could exist and not be promptly detected.

A material weakness is a reportable condition in which the design or operation 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.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe that the reportable condition described above is not a material weakness.

This report is intended for the information of management of the East Baton Rouge Parish Juvenile Court, and the legislative Auditor. However, this report is a matter of public record and its distribution is not limited.


June 15, 1998

L.A. CHAMPAGNE & CO., L.L.P.

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED
ON AN AUDIT OF THE GENERAL PURPOSE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Judges of the
East Baton Rouge Parish Juvenile Court

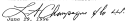
We have audited the general purpose financial statements of the East Baton Rouge Parish Juvenile Court as of and for the year ended December 31, 1998, and have issued our report thereon dated June 19, 1998.

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 East Baton Rouge Parish Juvenile Court is the responsibility of the East Baton Rouge Parish Juvenile Court's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the East Baton Rouge Parish Juvenile Court's compliance with certain provisions of applicable laws, regulations, contracts, and grants. However, the objective of our audit of the 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 no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of management of the East Baton Rouge Parish Juvenile Court, and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.


June 19, 1998