

JUDICIAL EXPENSE FUND OF THE
TWENTY-FIRST JUDICIAL DISTRICT COURT

Finding: At December 31, 1995, the Judicial Expense Fund of the Twenty-first Judicial District Court's confirmed bank balances totaled \$199,396. Of this total \$199,433 was secured from loss by Federal deposit insurance. The uninsured balances of \$19,963 was secured from loss by a pledge of securities by the fiscal agent bank totaling \$29,994. Therefore, deposits of \$29,991 were not properly secured from loss as required by state law.

Recommendation: The Judicial administrator should contact the fiscal agent bank and require that the bank pledge additional securities to adequately secure the deposits. In addition, the Judicial Administrator should continue to closely monitor the bank balances on a continuous basis to insure that the bank balances are adequately secured at all times.

Management's Response: In a letter dated June 13, 1996, the Judicial Administrator indicated the fiscal agent bank will be required to pledge additional securities to adequately secure the deposits. The Judicial Administrator will continue to closely monitor the bank balances on a continuous basis to insure the bank balances are adequately secured at all times.

This report is intended for the use of management and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of this report which, upon acceptance by the judges of the Twenty-first Judicial District is a matter of public record.

Respectfully submitted,


DENNIS J. JONES, CPA

Durnin & James

ATTENDED PUBLIC ACCOUNTANTS

John M. Durnin, CPA*
Ernest E. James, CPA*

Member
American Institute of
Certified Public Accountants

CA, Certified
Fingerprint

Member
Society of Louisiana
Certified Public Accountants

June 3, 1996

The Honorable Robert H. Morrison, III, Chief Judge
and Honorable Judges
Twenty-First Judicial District Court

We have audited the general purpose financial statements of the Judicial Expense Fund of the Twenty-First Judicial District Court for the year ended December 31, 1995, and have issued our report thereon dated May 11, 1996. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Generally Accepted Auditing Standards and Government Auditing Standards

As stated in our engagement letter dated December 12, 1995, 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, irregularities, or illegal acts, including fraud and defalcations, may exist and not be detected by us.

As part of our audit, we considered the internal control structure of the Judicial Expense Fund of the Twenty-First Judicial District Court. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control structure.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Judicial Expense Fund of the Twenty-First Judicial District Court'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.

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 application. The significant accounting policies used by the Judicial Expense Fund of the Twenty-First Judicial District Court are described in Note 1 to the general purpose financial statements. To

Judicial Expense Fund of the
Twenty-First Judicial District Court
June 3, 1996
Page Two

new accounting policies were adopted and the application of existing policies was not changed during 1995. We noted no transactions entered into by the Judicial Expense Fund of the Twenty-First Judicial District Court 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.

Accounting Estimates

Accounting estimates are an integral part of the general purpose financial statements prepared by management and are based on management's current judgments. 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 management's current judgments.

Management's estimate of the allowance for uncollectible receivables is based on the age of the receivable and an analysis of the collectibility of individual accounts. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the general purpose financial statements taken as a whole.

Significant Audit Adjustments

For purposes of this letter, professional standards define a significant audit adjustment as a proposed correction of the general purpose financial statements that, in our judgment, may not have been detected except through our auditing procedures. These adjustments may include those proposed by us but not recorded by the Judicial Expense Fund of the Twenty-First Judicial District Court that could potentially cause future financial statements to be materially misstated, even though we have concluded that such adjustments are not material to the current financial statements.

We proposed several audit adjustments related to accounts receivable and accounts payable. The corrections were not considered material in relation to the individual fund-type financial statements of the Judicial Expense Fund of the Twenty-First Judicial District Court taken as a whole. The Judicial Expense Fund of the Twenty-First Judicial District Court has agreed to the proposed audit adjustments and will record the adjustments in the accounting records of the Judicial Expense Fund of the Twenty-First Judicial District Court for the year ended December 31, 1995.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the general purpose financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Consultations with Other Independent Accountants

To the best of our knowledge, management has not consulted with or obtained opinions from other independent accountants during the past year that are subject to the requirements of Statement on Auditing Standards No. 58, "Reports on the Application of Accounting Principles."

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing our audit.

This report is for the information of management and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of this report which, upon acceptance by the Judges of the Twenty-First Judicial District Court, is a matter of public record.

Respectfully submitted,

Duerrin & James
DUERRIN & JAMES, CPAs

HRJ/bdm

ORIGINAL
FILE COPY
DO NOT SEND OUT

Do not remove
pages from this
copy and PLEASE
keep in file

RECEIVED
LEGISLATIVE AUDITOR
85 JUL -1 AM 10:06

THIRTY-FIRST JUDICIAL DISTRICT COURT
MOBILE, LOUISIANA
GENERAL FUNDING FINANCIAL STATEMENTS
For the Year Ended December 31, 1985

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, entity and other appropriate public officials. This 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: 8-21-86

JUDICIAL EXPENSE FUND OF THE
TWENTY-FIRST JUDICIAL DISTRICT COURT
ANDRE, LOUISIANA

GENERAL PURPOSE FINANCIAL STATEMENTS

For the Year Ended December 31, 1995

CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1
GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW)	
Balance Sheet - All Fund Types and Account Groups	3
Governmental Funds:	
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances	4
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (BRAN Budget) and Actual	5
NOTES TO THE FINANCIAL STATEMENTS	4 - 15
OTHER REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS	
Independent Auditor's Report on Internal Control System Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards	16 - 17
Independent Auditor's Report on Compliance Based on an Audit of General Purpose Financial Statements Performed in Accordance with Government Auditing Standards	18 - 20

Durnin & James

REGISTERED PUBLIC ACCOUNTANTS

John B. Durnin, CPA
Charles H. James, CPA

Member
American Institute of
Certified Public Accountants

75 Poydras
New Orleans

Member
Institute of Certified
Public Accountants

May 22, 1988

INDEPENDENT AUDITOR'S REPORT

The Honorable Robert E. Morrison, III, Chief Judge
and Honorable Judges
Twenty-First Judicial District Court,
Acadia, Louisiana

We have audited the accompanying general purpose financial statements of the Judicial Expense Fund of the Twenty-First Judicial District Court as of December 31, 1987, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the Judicial Expense Fund of the Twenty-First Judicial District Court's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with generally accepted auditing standards and Governmental 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 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 financial statements referred to above present fairly, in all material respects, the financial position of the Judicial Expense Fund of the Twenty-First Judicial District Court as of December 31, 1987, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

Respectfully submitted,

Durnin & James
DURNIN & JAMES, INC.

GENERAL PURPOSE FINANCIAL STATEMENTS
(COMBINED STATEMENTS - OVERVIEW)

JUDICIAL DEPOSIT FUNDS OF THE
TWENTY-FIRST JUDICIAL DISTRICT COURT
Witte, Louisiana

BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
December 31, 1995

	GOVERNMENTAL FUNDS		ACCOUNT GROUPS	TOTALS	
	GENERAL FUND	SPECIAL FUND	FINANCIAL ASSISTANCE	1995	1994
ASSETS:					
Cash and cash equivalents	\$304,825	\$214,486	\$ -	\$439,311	\$544,124
Receivables	13,989	983	-	14,972	18,129
Due from other governments (net of allowances for uncollectibles)	33,543	-	-	33,543	38,539
Due from other funds	-	-	125,868	125,868	3,189
Fixed assets	-	-	-	-	183,867
TOTAL ASSETS	\$352,357	\$215,469	\$125,868	\$614,534	\$787,849
LIABILITIES AND FUND EQUITY					
Liabilities:					
Accounts payable	\$ 26,518	\$ 44,413	\$ -	\$101,431	\$ 79,953
Due to other funds	-	-	-	-	3,189
Total Liabilities	\$ 26,518	\$ 44,413	\$ -	\$101,431	\$ 79,153
Fund Equity:					
Investment in general fixed assets	\$ -	\$ -	\$125,868	\$125,868	\$281,940
Fund Balances:					
Unreserved - undesignated	325,839	171,056	-	496,895	537,836
Total Fund Equity	\$325,839	\$171,056	\$125,868	\$622,823	\$718,799
TOTAL LIABILITIES AND FUND EQUITY	\$352,357	\$215,469	\$125,868	\$614,534	\$787,849

The accompanying notes are an integral part of this statement.

**JUDICIAL EXPENSE FUND OF THE
THIRTY-FIRST JUDICIAL DISTRICT COURT
White, Louisiana**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES
For the Year Ended December 31, 1995**

REVENUES	GENERAL FUND		SPECIAL REVENUE FUND	
	1995	1994	1995	1994
Revenues				
Fees:				
Circuit Court	\$ 24,854	\$ -	\$ 24,854	\$ 24,274
Criminal Court	81,388	-	81,388	183,886
Criminal Court - DOC	3,815	-	3,815	2,883
Criminal probation supervision fees	88,119	-	88,119	78,305
Support enforcement fees	-	281,481	281,481	283,186
Reimbursement from criminal court fund	37,542	-	37,542	38,838
Intergovernmental Grant	-	31,250	31,250	-
Interest earned	8,804	28,888	28,888	13,424
Other income	508	31	532	889
Total Revenues	\$250,208	\$323,438	\$667,444	\$552,185
EXPENDITURES				
Current:				
Administration's salaries	\$ 24,357	\$ -	\$ 24,357	\$ 24,357
Salaries and related	8,378	2,183	8,388	13,025
General office expenditures	29,894	28,432	68,348	64,294
Repairs and maintenance	2,589	-	2,589	8,493
Telephones	28,818	-	28,818	18,287
Law library, books and committee	8,888	737	9,625	18,811
Travel, training and meetings	7,482	8,098	15,580	21,290
Automobile	-	-	-	188
Accounting, auditing and professional fees	7,585	3,388	11,512	9,195
Court reporters	16,233	3,885	19,877	3,813
Courtroom law clerks	28,888	14,487	68,213	61,828
Insurance	8,288	-	8,288	8,288
Probation officer contract	48,328	-	48,328	61,815
Hearing officer contract	-	88,438	88,438	87,728
Sheriff, Bailiff, public defender master clock and other clerks	-	218,788	218,788	85,888
Data Processing	2,188	1,788	4,881	3,224
FIRE program expenditures	-	21,888	21,888	-
Other	3,188	175	3,275	888
Capital outlay	28,288	17,818	46,888	32,287
Total Expenditures	\$288,288	\$288,188	\$528,288	\$288,218
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 61,920	\$ 35,250	\$ 139,156	\$ 263,967
Other Financing Sources (Uses):				
Operating Transfers In (Out):	<u>11,288</u>	<u>1,288</u>	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 73,208	\$ 36,538	\$ 139,156	\$ 263,967
FUND BALANCE:				
Beginning of Year	\$188,288	\$123,188	\$817,028	\$894,188
PLUS: Fiscal Adjustment	68,818	111,228	128,488	-
MINUS: 1995	288,218	288,488	687,218	288,188
End of Year	\$168,888	\$145,928	\$258,296	\$606,000

The accompanying notes are an integral part of this statement.

**JUDICIAL EXPENSE FUND OF THE
THIRTY-FIRST JUDICIAL DISTRICT COURT
Acme, Louisiana**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - FISCAL YEAR BASIS AND ACTUAL -
BY APPROPRIATION FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 1966**

	GENERAL FUND			SOCIAL SERVICE FUND		
	AMENDED BUDGET	ACTUAL	PERCENT DIFFERENCE	AMENDED BUDGET	ACTUAL	PERCENT DIFFERENCE
REVENUES						
State						
Civil Court	\$ 24,000	\$ 24,410	0.168	0	0	0
Criminal Court	41,000	40,740	-0.634	0	0	0
Criminal Court - JOC	3,700	3,833	11.162	0	0	0
Criminal Probation	0	0	0	0	0	0
Supervision Fees	0	0	0	0	0	0
Support and/or maintenance fees	0	0	0	100,000	101,410	1.410
Reimbursement, State District Court	0	0	0	0	0	0
Reimbursement, State	0	10,444	11,400	0	0	0
Intergovernmental grants	0	0	0	20,000	21,240	6.200
Government grants	4,100	6,044	47.183	10,000	10,414	4.114
Other income	0	0	0	0	0	0
Total Revenues	117,700	106,410	-9.176	130,000	133,074	2.391
EXPENDITURES						
State						
Administration's support	\$ 24,000	\$ 24,377	0.167	0	0	0
Salaries and related	4,000	3,714	-7.100	2,000	2,140	7.000
General office expenditures	10,000	10,004	0.004	10,000	10,170	1.700
Printing and publications	1,000	1,000	0.000	0	0	0
Telephone	10,000	10,000	0.000	0	0	0
Law library, books and materials	10,000	8,000	-20.000	0	0	0
Travel, training and meetings	10,000	10,000	0.000	0	0	0
Utilities	0	0	0	0	0	0
Advertising, printing and reproduction fees	0	0	0	0	0	0
Cover, registers	0	0	0	0	0	0
Unallocated law costs	40,000	40,000	0.000	10,000	10,000	0.000
Insurance	1,000	1,000	0.000	0	0	0
Training officer courses	0	0	0	0	0	0
Meeting officer course	0	0	0	0	0	0
Investigation, audit, public defender, state court, and other items	0	0	0	0	0	0
State pension and other program expenditures	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total Expenditures	117,000	106,191	-0.855	130,000	133,310	2.510
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 700	\$ 219	31.429	\$ 0	\$ 764	19.154
Other Financing Sources (Uses):						
Operating Transfers In (Out)	0	11,200	11,200	0	1,100	1,100
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 700	\$ 13,399	1913.714	\$ 0	\$ 12,264	152.364
FUND BALANCE:						
beginning of year	1100,000	1000,000	0	1100,000	1000,000	0
State District Adjustment	0	0	0	0	0	0
transfers	0	0	0	0	0	0
end of year	1100,700	1013,399	1.212	1100,000	1012,264	1.114

The accompanying notes are an integral part of this statement.

JUDICIAL EXPENSE FUND OF THE
 TWENTY-FIRST JUDICIAL DISTRICT COURT
 STATE, LOUISIANA

GENERAL PURPOSE FINANCIAL STATEMENTS

For the Year Ended December 31, 1991

NOTES TO THE FINANCIAL STATEMENTS

Introduction	Page
1. Summary of Significant Accounting Policies	7
A. Basis of Presentation	7
B. Reporting Entity	7 - 8
C. Fund Accounting	8
D. Fixed Assets and Long-Term Liabilities	8 - 9
E. Basis of Accounting	9
F. Budgets and Budgetary Accounting	9 - 10
G. Encumbrances	10
H. Cash and Cash Equivalents	10
I. Inventories	10
J. Prepaid Items	10
K. Fixed Assets	10
L. Compensated Absences	10 - 11
M. Long-Term Obligations	11
N. Total Columns on Combined Statement	11
2. Cash and Cash Equivalents	11
3. Encumbrances	11 - 12
4. Due from Other Governmental Units	12
5. Changes in General Fixed Assets	12
6. Pension Plan	12
7. Leases	12
8. Litigation	12
9. Prior Period Adjustment	12

JUDICIAL EXPENSE FUND OF THE
TWENTY-FIRST JUDICIAL DISTRICT COURT
White, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 1990

INTRODUCTION

The Judicial Expense Fund of the Twenty-First Judicial District Court (hereafter referred to as "Judicial Expense Fund") was established on July 8, 1980 by Act No. 413, Subsection A of Session 984.1 of Title 13 of the Louisiana Revised Statutes of 1980 by the Legislature of Louisiana. This original Act was amended by Act 3085, Number 44, Section 1.

The amended Act provides for the collection of fees or costs in addition to all other fees or costs now or hereafter provided by law. The Clerk of Court of the Twenty-First Judicial District Court shall collect from every person filing any type of civil suit or proceeding and who is not otherwise exempted by law from the payment of court costs, a sum to be determined by Judges of said District, sitting en banc, which sum shall not exceed ten dollars, subject, however, to the provisions of Louisiana Code of Civil Procedure, Article 1818, et seq.; and, in all criminal cases over which the Twenty-First Judicial District Court has jurisdiction, there shall be taxed as costs against every defendant who is convicted after trial or after he pleads guilty or who forfeits his bond, a sum likewise determined, but which shall not exceed ten dollars, which shall be in addition to all other fines, costs or forfeitures lawfully imposed, and which shall be transmitted to the said clerk for further disposition in accordance herewith.

The judges, en banc, of the Twenty-First Judicial District Court may pay each of their court expenses a salary from the judicial expense fund. The judges, en banc, may further appoint such secretarial, clerical, messengers, administrative or other personnel as they deem necessary to expedite the business and functions of the court and pay all or any part of the salaries of such personnel out of the monies in the judicial expense fund. In like manner, the judges may utilize the monies in the judicial expense fund to pay all or any part of the cost of establishing and maintaining a law library for the court, or for buying and maintaining any type of equipment, supplies or other items consistent with the proper administration and efficient operation of the court.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Judicial Expense Fund have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Tangipahoa Parish Council is the financial reporting entity for Tangipahoa Parish. The financial reporting entity consists of (a) the primary government, (Council); (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Tangipahoa Parish Council for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered

JUDICIAL EXPENSE FUND OF THE
THIRTY-FIRST JUDICIAL DISTRICT COURT
White, Louisiana

NOTE TO THE FINANCIAL STATEMENTS (CONTINUED)

In determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Parish Council to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Parish Council.
2. Organizations for which the Parish Council does not appoint a voting majority but are financially dependent on the Council.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the Judicial Expense Fund's revenues are self-generated, the Judicial Expense Fund is not financially dependent on the council. The Judicial Expense Fund was determined not to be a component unit of the Tangipahoa Parish Council, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Judicial Expense Fund and do not present information on the Parish Council, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The accounts of the Judicial Expense Fund are organized on the basis of ten funds and two account groups, each of which is considered a separate accounting entity. The operations of the Fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Funds of the Judicial Expense Fund are classified as governmental funds. Governmental funds account for the Judicial Expense Fund's general activities, including the collection and disbursement of specific or legally restricted monies and the acquisition or construction of general fixed assets. Governmental funds of the Judicial Expense Fund include:

1. General Fund - the general operating fund of the Judicial Expense Fund accounts for all financial resources, except those required to be accounted for in other funds.
2. Special Revenue Fund - accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

D. FIXED ASSETS AND LONG-TERM LIABILITIES

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheet.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, and are recorded

JUDICIAL EXPENSE FUND OF THE
VENUEY-FIRST JUDICIAL DISTRICT COURT
WILCOX, ALASKA

NOTE TO THE FINANCIAL STATEMENTS (CONTINUED)

as expenditures in the governmental fund types when purchased. No depreciation has been provided on the general fixed assets.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-term Debt Account Group.

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

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current 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 Debt Account Group. The Judicial Expense Fund had no long-term debt at December 31, 1999.

E. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present revenues and expenses in net current assets. The modified accrual basis of accounting is used by the governmental funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Substantially all governmental fund revenues (fees, grants and interest earned) are accounted for using the modified accrual basis of accounting. The revenues are recognized when they become measurable and available as net current assets. An exception to this rule is criminal probation supervision fees which are recorded as revenue when received.

Expenditures

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

F. BUDGETS AND BUDGETARY ACCOUNTING

The Judicial Expense Fund adopted an operating budget for the general fund and the special revenues fund for the fiscal year ended December 31, 1999. The budget for the general fund and the special revenues fund is adopted on the modified accrual basis of accounting consistent with generally accepted accounting principles (GAAP).

The Judicial Expense Fund follows these procedures in establishing the budgetary data reflected in these financial statements:

1. The Fund Administrator prepares a proposed budget and submits it to the Judges of the Venuey-First Judicial District Court for their review no later than fifteen days prior to the beginning of each fiscal year.
2. A meeting is then held with the Fund Administrator and the Judges to review the proposed budget and formal adoption is made by majority vote.

JUDICIAL EXPENSE FUND OF THE
TWENTY-FIRST JUDICIAL DISTRICT COURT
White, Louisiana

NOTE TO THE FINANCIAL STATEMENTS (CONTINUED)

of the Judges of the Twenty-First Judicial District Court. The budget for 1995 was adopted by the Judges on December 7, 1994.

3. Copies of the adopted budget are kept on file for public inspection.
4. Budgetary amendments due to increases or decreases in revenues or expenditures over amounts estimated require majority vote of the Judges of the Twenty-First Judicial District Court. The budget for the year ended December 31, 1993, was amended by majority vote of the Judges on November 14, 1993.
5. All budgetary appropriations lapse at the end of each year.
6. Formal budgetary integration is not employed.

G. ENCUMBRANCES

The Judicial Expense Fund does not utilize encumbrance accounting.

H. CASH AND CASH EQUIVALENTS

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

I. INVENTORY

The Judicial Expense Fund has no inventory on hand at December 31, 1994. Expendable supplies in the Judicial Fund are recorded as expenditures at the time the supplies are purchased.

J. PREPAID ITEMS

The Judicial Expense Fund did not record any prepaid items at December 31, 1994.

K. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized in the general fixed assets account group. Public domain or infrastructures are not capitalized. Interest costs incurred during construction are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical costs.

L. COMPENSATION ABSENCE

All full-time employees earn ten (10) days of annual leave and ten (10) days of sick leave after one year of service. Unused sick leave and annual leave is not accumulated. At December 31, 1993, there were no employee leave benefits requiring recognition in accordance with GASB Statement No. 14.

M. LONG-TERM OBLIGATIONS

Long-term obligations reported to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the

JUDICIAL DEPOSIT FUND OF THE
TWENTY-FIRST JUDICIAL DISTRICT COURT
Prairie, Louisiana

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

governmental funds when due.

II. TOTAL COLUMN ON COMBINED STATEMENT

The total column on the combined statement is captioned Memorandum Only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations, in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

3. CASH AND CASH EQUIVALENTS

For reporting purposes, cash and cash equivalents include demand deposits and time certificates of deposits. Under Louisiana law the Fund may deposit funds within a financial agent bank organized under the laws of the State of Louisiana, any other state in the union, or under the laws of the United States. Further, the Fund may invest in time deposits or certificates of deposit at state banks organized under Louisiana law and national banks having principal offices in Louisiana.

As reflected in the accompanying combined balance sheet, the Fund had cash and cash equivalents totaling \$428,811 at December 31, 1995. Cash and cash equivalents are stated at cost, which approximates market. These deposits must be secured under state law by Federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the Federal deposit insurance must at all times equal the amount on deposit with the bank. The following is a summary of cash and cash equivalents as confirmed by financial institutions at December 31, 1995, with the related Federal deposit insurance and pledged securities. The cash and cash equivalents at December 31, 1995, were secured as follows:

	COMBINED BANK BALANCE DEC. 31, 1995	FEDERAL DEPOSIT INSURANCE	PLEGGED SECURITIES DECEMBER 31
Demand Deposits	\$ -	\$ -	\$ -
Interest Bearing Demand deposits	355,649	355,649	35,594
Time Certificates Deposit	284,815	284,455	-
Total	<u>\$640,464</u>	<u>\$640,104</u>	<u>\$35,594</u>

At December 31, 1995, the Judicial Clerk's Fund of the Twenty-first Judicial District Court had \$55,449 in uninsured bank deposits which were not fully secured by a pledge of securities in violation of state law.

5. RECEIVABLES

Receivables represent accrued interest on certificates of deposit, court filing fees, and support account fees accrued in 1995 and received in 1996 from the following:

JUDICIAL EXPENSE FUND OF THE
TWENTY-FIRST JUDICIAL DISTRICT COURT
Acme, Louisiana

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Fund:	General Fund	Special Revenue Fund	Total
CLERK OF COURT:			
Terrebonne Parish	\$ 1,500	\$ -	\$ 1,500
Livingston Parish	1,500	-	1,500
St. Helena Parish	318	-	318
Civil Court Fees	\$ 3,485	\$ -	\$ 3,485
Sheriff:			
Terrebonne Parish	\$ 2,818	\$ -	\$ 2,818
Livingston Parish	4,998	-	4,998
St. Helena Parish	1,138	-	1,138
Criminal Court Fees	\$10,158	\$ -	\$10,158
Interest Earned and Other	388	583	971
Total Receivables	\$18,832	\$ 583	\$19,415

No allowance for uncollectible receivables is required at December 31, 1995.

4. DUE FROM OTHER GOVERNMENTAL UNIT

Due from other governmental entities consists of unexpended funds made to the Criminal Court fund of Livingston Parish and amounts due from the Terrebonne Parish Council - Criminal Court Fund. The outstanding balances as of December 31, 1995 consist of the following:

Criminal Court Fund - Livingston Parish	\$ 28,489
Terrebonne Parish Council - Criminal Court Fund	32,581
Subtotal	\$ 61,070
Less Allowance For Uncollectible Amounts	(38,629)
Total	\$ 22,441

5. CHANGES IN GENERAL FIXED ASSETS

The general fixed assets of the Judicial Expense Fund include only those assets purchased by funds provided for to the Judicial Expense Fund.

A summary of changes in general fixed assets for the year ended December 31, 1995 follows:

	Balance January 1, 1995	Additions	Deductions	Balance December 31, 1995
FURNITURE & FIXTURES EQUIPMENT	\$ 8,485	\$ 5,559	\$ -	\$ 14,044
	112,177	28,948	-	141,125
Total	\$120,662	\$34,507	\$ -	\$155,169

JUDICIAL EXPENSE FUND OF THE
TWENTY-FIFTH JUDICIAL DISTRICT COURT
Baton Rouge, Louisiana

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. PENSION PLAN

All employees of the Judicial Expense Fund are members of the social security system.

In addition to employee payroll deductions, the Judicial Expense Fund makes funds to match the employee contributions. The Fund's portion of contributions to the social security system for the year ended December 31, 1993, totaled \$1,884. The Judicial Expense Fund does not have any liability for employee pension benefits.

7. LEASES

The Judicial Expense Fund records operating leases as current expenditures in the accompanying financial statements. The following is an analysis of significant operating leases at December 31, 1993:

On July 27, 1993, the Judicial Expense Fund entered into a 36 month lease for a photo copier. The lease provides for rental of \$488 per month commencing July 27, 1993 through October 27, 1994; thereafter, for \$500 per month until terminated.

On September 16, 1993, the Judicial Expense Fund entered into a 14 month lease for a photocopier. The lease provides for rental of \$475 per month commencing September 16, 1993 through January 16, 1994; thereafter, for \$275 per month until terminated.

On April 27, 1995, the Judicial Expense Fund entered into a month-by-month lease for office desks in Livingston Parish. The lease provides for rental of \$500 per month commencing May 1, 1995, and can be terminated at any time.

Since each of these three leases may be terminated at any time, the Judicial Expense Fund has no required future rental commitments under these leases.

8. LITIGATION

There is no litigation pending against the Judicial Expense Fund at December 31, 1993.

9. PRIOR PERIOD ADJUSTMENT

The beginning fund balance of the General Fund and the Special Revenue Fund have been restated to reflect the retrospective recording of the following prior period adjustments:

	General Fund	Special Revenue Fund
Fund balance at December 31, 1993, as previously stated	\$222,262	\$222,262
Adjust:		
accounts payable at December 31, 1994, not included originally	(28,270)	(28,270)
Fund balance at December 31, 1993, restated	\$193,992	\$193,992

OTHER REPORTS RECEIVED BY
GOVERNMENT AUDITING COMMISSION

INDEPENDENT SECTION'S REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

Durnin & James

—CERTIFIED PUBLIC ACCOUNTANTS—

John N. Durnin, CPA*
Frank H. James, CPA*

Member
American Institute of
Certified Public Accountants

* A. Professional
Certificate

Member
Society of Certified
Financial Public Accountants

May 31, 1994

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

The Honorable Robert W. Morrison, III, Chief Judge
and Honorable Judges
Twenty-First Judicial District Court
Amite, Louisiana

We have audited the general purpose financial statements of the Judicial Expense Fund of the Twenty-First Judicial District Court, Amite, Louisiana, as of December 31, 1993, and for the year then ended and have issued our report thereon dated May 31, 1994.

We have 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 financial statements are free of material misstatement.

The management of the Judicial Expense Fund of the Twenty-First Judicial District 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 recorded in accordance with management's authorization and recorded properly to permit the preparation of 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, perception of any evaluation of the structure in 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 Judicial Expense Fund of the Twenty-First Judicial District Court, for the year ended December 31, 1993, 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 internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the

JUDICIAL EXPENSE FUND OF THE
TWENTY-FIRST JUDICIAL DISTRICT COURT

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.

FROM AUDIT REPORT COMMENTS

The audit report for the preceding year dated June 8, 1979, in which we expressed an unqualified opinion on the general purpose financial statements of the Judicial Expense Fund of the Twenty-First Judicial District Court contained a critical comment under the category of PROPERTY, EQUIPMENT AND CAPITAL EXPENDITURES. We commended management's efforts during the past year which have remedied this prior year condition.

This report is intended for the use of management and the Louisiana Legislative Auditor. This restriction is not intended to limit the distribution of this report which, upon acceptance by the Judges of the Twenty-First Judicial District Court, is a matter of public record.

Respectfully submitted,


DENNIS A. JONES, CPA's

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

Durnin & James

CERTIFIED PUBLIC ACCOUNTANTS

Edna M. Durnin, CPA
Thomas E. James, CPA

Members
American Institute of
Certified Public Accountants

LA Professional
Engineers

Members
Society of Louisiana
Professional Engineers

May 31, 1994

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

The Honorable Robert W. Harrison, III, Chief Judge
and Honorable Judges
Twenty-First Judicial District Court
Bellaire, Louisiana

We have audited the general purpose financial statements of the Judicial Expense Fund of the Twenty-First Judicial District Court as of and for the year ended December 31, 1993, and have issued our report thereon dated May 31, 1994.

We have conducted our audit in accordance with generally accepted auditing standards and Governmental 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 financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Judicial Expense Fund of the Twenty-First Judicial District Court, is the responsibility of the Fund's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Fund's compliance with certain provisions of laws, regulations, contracts, and grants. However, it should be noted that our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

Material instances of noncompliance are failures to follow requirements or violations of prohibitions contained in laws, regulations, contracts, or grants that cause us to conclude that the aggregation of misstatements resulting from those failures or violations is material to the general purpose financial statements. The results of our tests of compliance disclosed the following material instances of noncompliance.

COMPLIANCE WITH STATE LAW

Financial Agency and Cash Management Laws

The Judicial Expense Fund of the Twenty-First Judicial District Court did not comply with certain financial agency and cash management laws imposed by state law. Financial agency and cash management procedures applicable to the Judicial Expense Fund of the Twenty-First Judicial District Court are specified in state law, Louisiana Revised Statutes (LSA-R.S.) 49:381-377. The portions of the law and the manner in which the Judicial Expense Fund of the Twenty-First Judicial District Court failed to comply with the law are as follows:

State Law LSA-R.S. 49:383 requires that "security for deposits shall at all times be equal to 100% of the amount on deposit, except that portion of the deposits insured by any governmental agency insuring bank deposits."