

Judicial Clerk's Fund of the  
Thirty-Fourth Judicial District Court  
CHICAGO, LOUISIANA

NOTE TO FINANCIAL STATEMENTS

December 31, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court was established June 1984 by Act No. 47, Subsection A of Section 994.48 of Title 13 of the Louisiana Revised Statutes of 1978 by the Legislature of Louisiana.

The 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 Thirty-Fourth 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, within no less, which sum shall not exceed thirty dollars, subject, however, to the provisions of Louisiana Code of Civil Procedure, Article 581, et seq.; and, in all criminal cases in St. Bernard Parish, 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 twenty-five dollars, which shall be in addition to all other fines, costs or forfeitures lawfully imposed, and which shall be transmitted to the said court for further disposition in accordance herewith.

The judges, ex officio, may appoint such law clerks, secretarial, clerical, research, administrative, or other personnel as they deem necessary to expedite the business and functions of the court and fix and pay all or any part of the salaries or reasonable expenses of such personnel out of the moneys in the Judicial Clerk's Fund. In like manner, the judges, ex officio, may within the moneys in the Judicial Clerk's Fund to pay all or any part of the cost of establishing or maintaining a law library for the court or for buying, leasing, or maintaining any type of equipment, supplies, or other items consistent with or germane to the efficient operation of the court, or to pay for actual expenses incurred, including travel, lodging, tuition, and food, by any judge or clerk in attending any seminar or conference germane to the proper operation of the court.

The accounting and reporting policies of the Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the industry GAAP guide, *Audits of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies.

The accompanying general purpose financial statements of the Judicial Expense Fund of the Thirty-Fourth Judicial District Court 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.

JUDICIAL CLERK'S FUND OF THE  
THIRTY-FOURTH JUDICIAL DISTRICT COURT

required by state law. Asset management procedures applicable to the Judicial Clerk's Fund are specified in state law, Louisiana Revised Statutes 138A-2.0.1 24:115. The pertinent parts of the law and the manner in which the Judicial Clerk's Fund failed to comply with the law are as follows:

State law LRS-R.S. 24:115 requires political subdivisions to maintain records of all land, buildings, improvements other than buildings, equipment, and any other general fixed assets which were purchased or otherwise acquired, and for which such entity is accountable. The records shall include information as to the date of purchase, the initial cost, the disposition, the purpose of such disposition and the recipient of the property or equipment disposed.

**Findings:** The Judicial Clerk's Fund did not maintain a complete inventory of fixed assets meeting the requirements of state law. There are no identification stickers placed on any movable assets of the Judicial Clerk's Fund. In addition, the Judicial Clerk's Fund has no inventory records containing the inventory tag number, date of purchase, vendor name, make and model number, serial number, the initial cost, location of asset, the disposition, the purpose of such disposition and recipient of the property and other information relevant to each asset.

Failure to adequately inventory and tag all movable assets places the Judicial Clerk's Fund in noncompliance with state law and reduces the effectiveness of the Judicial Clerk's Fund's control and management of its fixed assets inventory which could result in the unauthorized disposition of property.

**Recommendations:** The Judicial Clerk's Fund should immediately conduct a complete inventory of its fixed assets and tag all movable property identifying the asset as the property of the Judicial Clerk's Fund. We further recommend an inventory record be prepared for each asset identifying the tag number, date of purchase, vendor name, make and model number, serial number, the initial cost, location of the asset, the disposition, the purpose of such disposition and recipient of the property and other information relevant to each asset.

**Management's Response:** In a letter dated February 14, 1997, the Court stated that it will tag all movable assets with identification stickers. In addition, it will prepare an inventory containing the inventory tag number, date of purchase, vendor name, make and model number, serial number, the initial cost, location of asset, the disposition, the purpose of such disposition and recipient of the property and other information relevant to each asset.

We considered this instance of noncompliance in forming our opinion on whether the Judicial Clerk's Fund 1996 general purpose financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and this report does not affect our report dated January 27, 1997, on these general purpose financial statements.

Except as described above, the results of our testing of compliance indicate that with respect to the items tested, the Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court complied, in all material respects, with the provisions referred to in the third paragraph of this report, and with respect to items not tested, nothing came to our attention that caused us to believe that the Judicial Clerk's Fund had not complied, in all material respects, with these provisions.

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—

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JANUARY 17, 1987

**MANAGEMENT REPORT ON INTERNAL CONTROL  
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT ACCOUNTING STANDARDS**

The Honorable David E. Dierkerly, Chief Judge  
and Honorable Judges  
Thirty-Fourth Judicial District Court  
Chalmette, Louisiana

We have audited the general purpose financial statements of the Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court, Chalmette, Louisiana, a component unit of the St. Bernard Parish Council, for the year ended December 31, 1986, and have issued our report thereon dated January 17, 1987.

We conducted our audit in accordance with generally accepted auditing standards and Government Accounting 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 Clerk's Fund of the Thirty-Fourth 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, projections 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 Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court for the year ended December 31, 1986, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of

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

OTHER REPORTS REVIEWED BY GOVERNMENT ACCEPTING STANDARDS

Judicial Clerk's Fund of the  
Thirty-Fourth Judicial District Court  
Shreveport, Louisiana

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 1986

3. ACCOUNTS PAYABLE

Accounts payable at December 31, 1986, including payroll withholding taxes and accrued payroll taxes total \$977 at December 31, 1986.

4. LITIGATION

There is no litigation pending against the Judicial Clerk's Fund at December 31, 1986.

5. CHANGES IN GENERAL FUND ASSETS

The general fund assets of the Judicial Clerk's Fund include only those assets provided by funds provided for in the Judicial Expense Fund.

A summary of changes in general fund assets for the year ended December 31, 1986, follows:

	Balance 02/03/1986	Revenues	Deductions	Balance 12/31/1986
Equipment and Services	\$ 2,382	\$ 882	\$ -	\$ 3,264
Total	\$ 2,382	\$ 882	\$ -	\$ 3,264

Judicial Clerk's Fund of the  
Thirty-Fourth Judicial District Court  
Shreveport, Louisiana

NOTES TO FINANCIAL STATEMENTS CONTINUED

December 31, 1996

in the State, or under the laws of the United States. Further, the Judicial Clerk's Fund may invest in time deposits or certificates of deposit of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

As reflected in the accompanying certified balance sheet, the Judicial Clerk's Fund had cash totaling \$49,766 at December 31, 1996. 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 as confirmed by financial institutions at December 31, 1996, with the related Federal deposit insurance. The cash at December 31, 1996, was secured as follows:

	Confirmed Bank Balances Dec. 31, 1996	FDIC Insurance	Balance Sheeted
Cash	\$ 49,766	\$ 49,766	\$ -
Cash Equivalents - Time Certificates of Deposit	_____	_____	_____
Total	\$ 49,766	\$ 49,766	\$ _____

All deposits on account with financial institutions are adequately secured by the Federal Depositary Insurance Corporation (FDIC) as of December 31, 1996.

5. **HOW FROM OTHER GOVERNMENTAL UNITS**

How from other governmental units represent court costs collected in 1996 and received in 1997 from the following:

Court Costs:	
St. Bernard Parish Clerk of Court	\$ 4,645
St. Bernard Parish Sheriff	—4,645
Total	\$ 0.00

No allowance for uncollectible receivables is required at December 31, 1996.

6. **PREPAID EXPENDITURES**

Prepaid expenditures at December 31, 1996 include prepaid professional liability insurance premiums.



Judicial Clerk's Fund of the  
Thirty-fourth Judicial District Court,  
Chicot Parish, Louisiana

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 1996

- d. Normal budgetary integration is not employed. Budgeted amounts included in the accompanying financial statements include the originally adopted budget amounts. The amounts are reconciled to the amounts reflected on the budget comparison statements as follows:

	General Fund	Special Funds
Excess (Deficiency) of Revenues Over Expenditures (Exhibit B)	\$28,824	\$11,028
ADD:		
Prior Year Expenditures	24,825	-
Current Year Revenues	877	-
LESS:		
Current Year Revenues	2,342	-
Prior Year Revenues	877	-
Excess (Deficiency) of Revenues Over Expenditures Exhibit C1	\$28,824	\$11,028

**F. INVENTORY**

The Fund had no inventory on hand at December 31, 1996. expendable supplies in the General Fund are recorded as expenditures at the time the supplies are purchased.

**G. COMPENSATED ABSENCE**

There is no written policy for compensated absences. All full-time employees earn one week of annual leave. This leave is taken when the judges take their leave. Sick leave and annual leave is non-accumulative. In governmental funds, the cost of sick leave and annual leave is recognized when payments are made to employees.

**H. FUND EQUITY**

**Designated Fund Balances**

Designated fund balances represent initiative plans for future use of financial resources.

**I. CASH**

For reporting purposes, cash includes demand deposits and time certificates of deposits. Under Louisiana law the Judicial Clerk's Fund may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, any other state

Judicial Clerk's Fund of the  
Thirty-Fourth Judicial District Court  
Chattelle, Louisiana

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 1990

liabilities. They are instead reported as liabilities in the General Long-Term Debt Account Group.

**D. 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 varies in the timing of the measurements made, regardless of the measurement basis applied.

All governmental fund revenue (court costs and interest revenue) are accounted for using the modified accrual basis of accounting. The revenues are recognized when they become measurable and available to the current period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Transfers are recognized as an expenditure in the period to which it is allocable.

**E. REVENUE AND EXPENDITURE ACCOUNTING**

The Judicial Clerk's Fund adopted operating budgets for the General Fund and for the Chenaille Probation Supervision Fee Special Revenue Fund for the fiscal year ended December 31, 1990. The budgets for the General Fund and the Chenaille Probation Supervision Fee Special Revenue Fund are adopted on the cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles (GAAP).

The Judicial Clerk's Fund follows these procedures in establishing the budgetary data reflected in these financial statements:

1. The Chief Judge prepares a proposed budget and submits same to the Judges of the Thirty-Fourth Judicial District Court for their review.
2. A meeting is then held to review the proposed budget and formal adoption is made by majority vote of the Judges of the Thirty-Fourth Judicial District Court.
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 the approval of the Judges of the Thirty-Fourth Judicial District Court.
5. All budgetary appropriations lapse at the end of each year.

JUDICIAL CLERK'S FUND OF THE  
THIRTY-FOURTH JUDICIAL DISTRICT COURT

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

Respectfully submitted,

*Dwain J. Jones*  
DWAIN J. JONES, CLERK

Judicial Clerk's Fund of the  
Thirty-Fourth Judicial District Court  
Chalmette, Louisiana

NOTE TO FINANCIAL STATEMENTS CONTINUED

December 31, 1990

**A. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the St. Bernard Parish Council is the financial reporting entity for St. Bernard Parish. The financial reporting entity consists of (a) the primary government (parish), (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 St. Bernard Parish Council for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GSNP has set forth criteria to be considered in determining financial accountability. This criteria included:

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 Parish Council provides for office space, courtrooms and approval authority over the capital budget and therefore is financially dependent on the Council, the Judicial Clerk's Fund was determined to be a component unit of the St. Bernard Parish Council, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Judicial Clerk's 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.

# Durnin & James

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MEMBERSHIP  
SUSPENDED

January 17, 1997

**GOVERNMENT AGENCY'S REPORT ON COMPLIANCE  
BASED ON AN ASSESS OF GENERAL PURPOSE  
FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH  
GOVERNMENT AGENCY STANDARDS**

The Honorable David M. Corbato, Chief Judge  
and Honorable Judges  
Thirty-Fourth Judicial District Court  
Chalmette, Louisiana

We have audited the general purpose financial statements of the Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court, a component unit of the St. Bernard Parish Council, as of and for the year ended December 31, 1996, and have issued our report thereon dated January 17, 1997.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court, is the responsibility of the Judicial Clerk's Fund'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 Judicial Clerk's Fund's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

Material instances of noncompliance consisted of failures to follow requirements, or violations of prohibitions contained in statutes, regulations, contracts, or grants, that cause us to conclude that the aggregation of misstatements resulting from these 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**

**Asset Management Laws**

The Judicial Clerk's Fund did not comply with certain asset management requirements:

Judicial Clerk's Fund of the  
Thirty-Fourth Judicial District Court  
Charleston, Louisiana

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December 31, 1998

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Judicial Clerk's Fund of the  
 Superior Judicial Business Court  
 Columbia, Georgia

GENERAL STATEMENT OF FINANCIAL POSITIONS AND  
 CHANGES IN FUND BALANCE - BUDGET COMPARISON BASIS  
 AND ACTUAL - SPECIAL FUND AND LEGAL SERVICE FUND

For the Year Ended December 31, 1999

	SPECIAL FUND		TOTAL STATE FUND		TOTAL STATE FUND		TOTAL STATE FUND	
	AMOUNT BUDGET	ACTUAL	PERFORMANCE COMPARISON	ACTUAL	PERFORMANCE COMPARISON	ACTUAL	PERFORMANCE COMPARISON	
<b>Revenues:</b>								
Court Costs	\$181,370	\$184,240	\$ 2,870	\$ -	\$ -	\$ -	\$ -	\$ -
Pension Insurance Fund	-	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>\$181,370</b>	<b>\$184,240</b>	<b>\$ 2,870</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Expenditures:</b>								
<b>Current:</b>								
Salaries	\$128,000	\$122,000	\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ -
Depreciation	21,000	8,000	13,000	-	-	-	-	-
Supplies	3,400	3,400	-	-	-	-	-	-
Insurance	5,000	4,800	200	-	-	-	-	-
Accounting & Auditing	-	-	-	-	-	-	-	-
Other Programs	-	-	-	-	-	-	-	-
General Office	1,400	2,200	( 800)	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$158,800</b>	<b>\$138,400</b>	<b>\$ 20,400</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Change (Deficiency) of Revenues Over Expenditures</b>	<b>\$ 22,570</b>	<b>\$ 45,840</b>	<b>\$ 23,270</b>	<b>\$ 27,000</b>	<b>\$ 27,000</b>	<b>\$ 27,000</b>	<b>\$ 27,000</b>	<b>\$ 27,000</b>
<b>Total Balance at Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Balance at End of Year</b>	<b>\$ 22,570</b>	<b>\$ 45,840</b>	<b>\$ 23,270</b>	<b>\$ 27,000</b>	<b>\$ 27,000</b>	<b>\$ 27,000</b>	<b>\$ 27,000</b>	<b>\$ 27,000</b>

The accompanying notes are an integral part of these statements.

JUDICIAL CLERK'S FUND OF THE  
THIRTY-FOURTH JUDICIAL DISTRICT COURT  
CHALESTON, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - ALL APPROPRIATING FUND TYPES

For the Year Ended December 31, 1964

	GENERAL		TOTAL	
	FUND	FUND	1964	1963
<b>Revenues:</b>				
Court costs	\$108,378	\$ -	\$108,378	\$108,898
Interest income	188	-	188	552
Supplemental income for library from the St. Bernard Parish Council	-	-	-	-
Supplemental income for law clerks from the St. Bernard Parish Council	-	-	-	-
Publication expenditures from	-	13,808	13,808	8,343
Intergovernmental grant	-	-	-	13,358
<b>Total Revenues</b>	<b>\$108,566</b>	<b>\$ 13,808</b>	<b>\$122,374</b>	<b>\$234,151</b>
<b>Expenditures:</b>				
Current:				
General government:				
Salaries	\$128,818	\$ -	\$128,818	\$219,708
Payroll taxes	8,735	-	8,735	8,288
Insurance	3,480	378	3,858	2,808
Accounting & auditing fees	8,881	378	9,259	4,200
General office expenditures	2,825	5,438	8,263	2,323
FINE Program	-	7,891	7,891	-
Capital outlay	-	682	682	8,382
<b>Total expenditures</b>	<b>\$138,702</b>	<b>\$ 14,389</b>	<b>\$153,091</b>	<b>\$245,709</b>
Excess of Revenues Over Expenditures	\$ 29,864	\$ 3,000	\$ 32,864	\$ 18,442
Fund Balance at Beginning of Year	18,788	13,882	32,670	18,818
Fund Balance at End of Year	\$ 47,347	\$ 16,882	\$ 64,229	\$ 37,260

The accompanying notes are an integral part of this statement.



Judicial Clerk's Fund of the  
Thirty-Fourth Judicial District Court  
Orlando, Louisiana

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

December 31, 1990

	COMPENSATIONAL FUND		ACCOUNT	TOTALS	
	GENERAL	SPECIAL	GROUPS	FUNDATION ONLY	
	FUND	FUND	FIXED	1990	1991
			ASSETS		
<b>ASSETS</b>					
Assets:					
Cash	\$18,892	\$12,814	\$ -	\$31,706	\$18,870
Due from other governments	8,322	-	-	8,322	18,322
Prepaid expenditures	3,489	-	-	3,489	3,489
office equipment	-	-	28,224	28,224	-3,382
<b>TOTAL ASSETS</b>	<b>\$30,703</b>	<b>\$12,814</b>	<b>\$28,224</b>	<b>\$71,579</b>	<b>\$42,872</b>
<b>LIABILITIES AND FUND EQUITY</b>					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Fund equity:					
Investment in general fixed assets	\$ -	\$ -	\$18,224	\$18,224	\$ 3,382
Fund balances:					
Unreserved-undesignated	47,727	12,814	-	60,541	32,658
Unreserved-designated for capital outlay	-	-	-	-	-
<b>Total Fund Equity</b>	<b>\$47,727</b>	<b>\$12,814</b>	<b>\$18,224</b>	<b>\$78,766</b>	<b>\$42,022</b>
<b>TOTAL LIABILITIES &amp; FUND EQUITY</b>	<b>\$47,727</b>	<b>\$12,814</b>	<b>\$18,224</b>	<b>\$78,766</b>	<b>\$42,872</b>

The accompanying notes are an integral part of this statement.

GENERAL PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - OVERVIEW)

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January 27, 1997

## INDEPENDENT AUDITOR'S REPORT

The Honorable David E. Gorbaty, Chief Judge  
and Honorable Judges  
Thirty-Fourth Judicial District Court  
Chalmers, Louisiana

We have audited the accompanying general purpose financial statements of the Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court, Chalmers, Louisiana, a component unit of the St. Bernard Parish Council, as of December 31, 1996, and for the year then ended. These general purpose financial statements are the responsibility of the Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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. 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 Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court as of December 31, 1996, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

The financial information for the preceding year which is included for comparative purposes was taken from the financial report for that year in which we expressed an unqualified opinion on the general purpose financial statements of the Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court.

Respectfully submitted,

*Durnin & James*  
Durnin & James, CPAs

JUDICIAL CLERK'S FEE OF THE  
THIRTY-FOURTH JUDICIAL DISTRICT COURT  
CREASSETTE, MISSISSIPPI

REPORT ON AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS

Year Ended December 31, 1998

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THIRTY-FOURTH JUDICIAL DISTRICT COURT  
CHENAYE, LOUISIANA

REPORT ON ACRITY OF GENERAL PURPOSE FISCALIAL SYSTEMS

Date ended December 31, 1994

Under provisions of state law, this report is a public document. A copy of this report has been furnished to the judicial or government agency charged with responsibility for public officials. You may wish to contact the public official for the judicial district and, where appropriate, at the office of the parish clerk of court.

APR 05 1997

Release Date

Judicial Clerk's Fund of the  
Thirty-Fourth Judicial District Court  
Shreveport, Louisiana

NOTES TO FINANCIAL STATEMENTS CONTINUED

December 31, 1980

**3. FUND ACCOUNTING**

The accounts of the Judicial Clerk's Fund of the Thirty-Fourth Judicial District Court are organized on the basis of two funds. The operations of the funds are accounted for with separate sets of self-balancing accounts that comprise their assets, liabilities, fund balances, revenues, and expenditures. The funds presented in the financial statements are described as follows:

General Fund

The General Fund is the general operating fund of the Judicial Clerk's Fund. It is used to account for all financial resources.

Special Revenue Fund

The Juvenile Probation Supervision Fee Special Revenue Fund is used to account for the receipt and disbursement of funds collected for juvenile probation supervision fees.

**4. FUND ASSETS**

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 on 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, expenditures recognition for governmental fund types is limited to current amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized on governmental fund type expenditures or fund

JUDICIAL CLERK'S FUND OF THE  
THIRTY-FOURTH JUDICIAL DISTRICT COURT

internal 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.

However, we noted the following matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above. These conditions were considered in determining the nature, timing, and extent of the procedures to be performed in our audit of the financial statements of the Judicial Clerk's Fund of the Thirty-Fourth Judicial Court, for the year ended December 31, 1988.

**Juvenile Probation Fee Revenue**

**Lack of Monitoring Date**

**Condition:** During our audit and review of receipts for juvenile probation fee revenue, we noted a monitoring date is not established by the court for each juvenile to monitor the juvenile's compliance with the terms of probation. Improvement is needed in this area to make sure that all conditions of probation, including the payment of any supervision fees, are complied with before a juvenile is released by the court from probation. The issue of this condition appears to be an inadequate design in the internal control procedures over juvenile probation monitoring. As a result, a juvenile could have his sentence reduced, his supervision fee reduced or waived, or other conditions of probation changed without the consent of the court.

**Recommendation:** We recommend the court consider setting a monitoring date for each juvenile six months after the sentencing date. At the monitoring date, the status of each juvenile could be assessed prior to releasing him from probation. Any changes to the original sentencing including reduction in term or changes in the supervision fee assessed could be documented to the court minutes.

**Management's Response:** In a letter dated February 14, 1989, the Court stated that it would consider a monitoring date to review the status of each juvenile before a juvenile is released from probation.

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

Respectfully submitted,

  
DURBIN E. JAMES, CPA