

We also noted certain matters involving the internal control structure and its operation that we have reported to the management of 1710 Avenue Governor's Conference on Juvenile Justice in a separate letter dated March 24, 1997.

This report is intended for the information of the audit committee, management, and the Legislative Auditor of the state of Louisiana. This restriction is not intended to limit the distribution of this report which is a matter of public record.

James Schuman & Co. Ltd

March 24, 1997

We noted one matter involving the internal control structure and its operation that we consider to be a reportable condition 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 judgment, could 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.

- 1. Statement of Condition: There is not a proper segregation of duties.
- Criteria: Proper internal controls over cash activities and general ledger functions require that these activities, as well as others, be performed by separate individuals.
- Cause: Proper segregation of duties is not possible because of the small number of people involved in the fiscal activity of the organization.
- Effect: The effect of the lack of segregation of duties is not determinable at this time.
- Recommendation: Segregation of duties is not feasible at this time.
- Management's Response: We concur in the finding and recommendation.

A material weakness is a reportable 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 or irregularities in accounts 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 consider the above reportable condition to be a material weakness as defined above. This condition was considered in determining the nature, timing, and extent of the procedures to be performed in our audit of the general purpose financial statements for the year ended September 30, 1986.

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17TH ANNUAL GOVERNOR'S CONFERENCE ON JUDICIAL JUSTICE
FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 1986

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewer, county and other appropriate public officials. The report is available for public inspection at the Glendon Stage office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4-2-97

There was an excess of expenditures over appropriations in the amount of \$7,845 resulting from additional expenditures that were incurred in the current year. According to state law, any unforeseeable variances of more than five percent required budget amendment. This was not done at September 30, 1994. In the current and previous year, the revenues have exceeded the budget by more than the excess of expenditures for the same period; therefore management did not amend the budget.

The budget is prepared on a modified accrual basis, consistent with the basis of accounting for comparability of budgeted and actual revenues and expenditures.

Actual amounts are compared to budgeted amounts periodically during the fiscal year on a management control device. The Agency may transfer funds between line items as often as required but must obtain prior approval from the Louisiana Commission on Law Enforcement and Administration of Criminal Justice for funds received under grants from this state agency.

F. ESTIMATES

The preparation of the general purpose financial statements in conformity with generally accepted accounting principles requires the use of management's estimates.

NOTE 2: REVENUE RECOGNITION - INTERGOVERNMENTAL GRANTS, REGISTRATION FEES

Intergovernmental grant revenues and the related fees are recorded in a special revenue governmental fund in the accounting period when they become susceptible to accrual, that is, measurable and available (modified accrual basis).

Intergovernmental Grants

Louisiana Commission on Law Enforcement and Administration of Criminal Justice program funds are earned and become susceptible to accrual based upon grant fund requests for reimbursements. The funds are recorded as revenues if the request covers a period in the current fiscal year and the related expenditures to be reimbursed have been recognized (match of revenues and expenditures).

Registration Fees/Accounts Receivable

The registration fees are considered measurable/earned and become susceptible to accrual at the time of the conference. The revenue is based on the number of people attending the conference. The receivable of \$837 is from various conferences



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE
IN ACCORDANCE WITH
GOVERNMENT ACCOUNTING STANDARDS**

Mr. Ronald Rossitto, Program Director
17th Annual Governor's Conference
on Juvenile Justice
Lake Charles, Louisiana

We have audited the general purpose financial statements of the 17th Annual Governor's Conference on Juvenile Justice, as of and for the year ended September 30, 1996 and have issued our report thereon dated March 28, 1997.

We have conducted our audit in accordance with generally accepted auditing standards and Government Accounting Standards, issued by the Comptroller General of the United States and the provisions of office of Management and Budget Circular A-133, "Audits of State and Local Governments." Those standards and OMB Circular A-133 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 17th Annual Governor's Conference on Juvenile Justice 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 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 17th Annual Governor's Conference on Juvenile Justice for the year ended September 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we addressed 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.

The Conference receives revenues from a federal grant program which is subject to final review and approval as to allowability of expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the grantor agency and the Conference. Also it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Conference's financial position.

attendees. Management does not believe that there is a significant concentration of credit risk with respect to this receivable amount due to the different geographic locations of the attendees.

NOTE 3: CASH

At September 30, 1996, the 17th Annual Governor's Conference on Juvenile Justice had the following balance in its cash account:

	Bank Balance	Bank Balance
Columbian Marine National Bank, Checking	<u>\$67,317</u>	<u>\$66,813</u>

At the end of the year, as well as during the year, the entire bank balance was covered by federal deposit insurance. Thus, there was no concentration of credit risk with regard to the Agency's cash funds.

NOTE 4: GRANTS RECEIVABLE

Grants receivable at September 30, 1996, consisted of grant requests for expenditures incurred in connection with the conference held on August 30 - September 10, 1996.

Expense	Amount
17th Annual Conference	<u>\$66,813</u>

NOTE 5: INCOME TAX STATUS

As a function of the state government, this activity is not subject to income tax.

NOTE 6: ECONOMIC DEPENDENCE

The Conference receives approximately half of its revenue from funds provided through a grant administered by the Louisiana Commission on Law Enforcement and Administration of Criminal Justice. The grant amount is appropriated each year by the Federal and state governments. If significant budget cuts are made at the Federal and/or state level, the amount of the funds the Conference receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Conference will receive in the next fiscal year.

NOTE 7: JUDGMENTS, CLAIMS, AND SIMILAR CONTINGENCIES

There is no litigation pending against the Conference at September 30, 1996.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds of the 17th Annual Governor's Conference are classified as a special revenue governmental fund type. The special revenue governmental fund accounts see the 17th Annual Governor's Conference's collection and disbursement of specific or legally restricted monies received from the grantor agency as well as fees received from the various annual conference participants.

D. 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 increases and decreases in net current assets.

Governmental funds are maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable. The Agency considers grant revenue and participant fees susceptible to accrual.

E. BUDGET POLICY

The Grant follows these procedures in establishing the budgetary data reflected in these financial statements.

The Louisiana Commission on Law Enforcement and Administration of Criminal Justice notifies the Agency each year as to the funding levels for the program's grant award.

The Project Director prepares a proposed budget based on the funding levels provided by the Louisiana Commission on Law Enforcement and Administration of Criminal Justice and then submits the budget to the Louisiana Commission on Law Enforcement and Administration of Criminal Justice for approval.

All budgetary appropriations lapse at the end of each fiscal year and grant year (September 30). The budget was not amended during the year. The original budget is presented in these financial statements.

17th ANNUAL GOVERNOR'S CONFERENCE ON JUVENILE JUSTICE
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 1994

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The 17th Annual Governor's Conference on Juvenile Justice is an adjunct organization of the Louisiana Commission on Law Enforcement and the Juvenile Justice and Delinquency Prevention Advisory Board. The purpose and function of the 17th Annual Governor's Conference on Juvenile Justice is to increase the capacity of state and local governments to conduct effective juvenile justice and delinquency prevention programs. The main specific emphasis of the conference is on providing information, resources, and training to approximately 100 individuals in the state's juvenile justice field. It is anticipated collectively these individuals will begin to resolve the system's more serious problems including the appropriate placement and/or delivery of services to the violent, emotionally disturbed, mentally retarded and/or serious offenders with special emphasis on the removal of juveniles from jails. The conference is jointly sponsored by the Juvenile Justice and Delinquency Prevention Advisory Board, Louisiana Commission on Law Enforcement, Office of Juvenile Services, Louisiana Association of Child Care Agencies, Louisiana District Attorney's Association, Louisiana Council of Juvenile Court Judges, and Louisiana Juvenile Detention Association. This report includes all of the funds relating to the conference.

B. PRESENTATION OF STATEMENTS

The accompanying financial statements conform to generally accepted accounting principles for state and local governments. These statements have also incorporated any applicable requirements set forth by *Standards of State and Local Governmental Units*, the *Industry Audit Guide* issued by the American Institute of Certified Public Accountants, and the *Louisiana Governmental Audit Guide*.

C. FUND ACCOUNTING

The Agency uses funds and account groups to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain governmental functions or activities.

**11TH ANNUAL GOVERNORS' CONFERENCE ON ACCESS TO JUSTICE
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (CHAMP BARRIS) AND ACTUAL - SPECIAL REVENUE FUND TYPE
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Special Revenue Fund Type		
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Intergovernmental	\$ 20,000	\$ 20,000	\$ 0-
Registration Fees	40,000	40,951	951
Sponsorship	<u>1,000</u>	<u>1,000</u>	<u>000</u>
Total Revenues	<u>61,000</u>	<u>61,951</u>	<u>951</u>
EXPENDITURES			
Current			
Contract Services	6,000	6,800	-800
Traavel	60,000	64,800	-4,800
Audit	2,500	2,754	-254
Other Direct	<u>6,000</u>	<u>10,000</u>	<u>-4,000</u>
Total Expenditures	<u>74,500</u>	<u>84,354</u>	<u>-9,854</u>
Excess (Deficiency) of Revenues over Expenditures	2,000	(2,404)	(4,404)
FUND BALANCE			
Beginning of Year	<u>20,000</u>	<u>20,756</u>	<u>-756</u>
End of Year	\$ <u>41,000</u>	\$ <u>37,352</u>	\$ <u>(3,648)</u>

The Accompanying Notes are an Integral Part of this Statement

Exhibit 2

**11TH ANNUAL GOVERNOR'S CONFERENCE ON JUVENILE JUSTICE
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -
ALL GOVERNMENTAL FUND TYPES
(For The Year Ended September 30, 1990)**

	<u>1990</u>
REVENUES	
Intergovernmental	\$ 30,000
Registration Fees	43,811
Sponsor Registration	<u>1,800</u>
 Total Revenues	 75,611
EXPENDITURES	
Current:	
Consulting Fees	5,000
Travel	64,000
Other Costs	<u>13,338</u>
 Total Expenditures	 <u>82,338</u>
 Excess (Deficiency) of Revenues over Expenditures	 <u>(6,727)</u>
 FUND BALANCE	
Beginning of Year	<u>30,738</u>
 End of Year	 <u>\$ 24,011</u>

* See Accompanying Notes and an Integral Part of this Statement.

**17TH ANNUAL GOVERNORS' CONFERENCE ON JUVENILE JUSTICE
 COMBINED BALANCE SHEET - ALL GOVERNMENTAL FUND TYPES
 (As of September 30, 1998)**

	<u>1998</u>
<u>ASSETS</u>	
Cash	\$ 60,871
Grant Receivable	30,080
Accounts Receivable	<u>607</u>
TOTAL ASSETS	\$ <u>132,648</u>
<u>LIABILITIES AND FUND EQUITY</u>	
Liabilities:	
Accounts Payable	\$ <u>68,208</u>
Total Liabilities	68,208
Fund Equity:	
Fund Balance:	
Unreserved	<u>67,920</u>
Total Fund Balance	<u>67,920</u>
TOTAL LIABILITIES AND FUND EQUITY	\$ <u>132,648</u>

The Accompanying Notes are an Integral Part of this Statement

TABLE OF CONTENTS

	Exhibit/ Schedule	Page
INDEPENDENT AUDITORS' REPORT		1
GENERAL PURPOSE FINANCIAL STATEMENTS		
Combined Balance Sheet - All Governmental Fund Types	1	2
Combined Statement of Revenues, Expenditures and Changes in Fund Balance - All Governmental Fund Types	2	3
Combined Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (BAP Basis) and Actual - Special Revenue Fund Type	3	4
Notes to Financial Statements		5 - 9
SINGLE AUDIT SECTION		
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS		10 - 12
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE USED IN ADMINISTERING FEDERAL FINANCIAL ASSISTANCE PROGRAMS		13 - 14
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS BASED ON AN AUDIT OF FINANCIAL STATEMENTS IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS		17
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH THE FEDERAL REQUIREMENTS APPLICABLE TO FEDERAL FINANCIAL ASSISTANCE PROGRAMS		18
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS		19
INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE		21
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE		21
SCHEDULE OF CURRENT YEAR AND PRIOR YEAR QUESTIONED COSTS		22



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

Mr. Donald Rasmussen, Program Director
17th Annual Governor's Conference
on Juvenile Justice
Lake Charles, Louisiana

We have audited the general purpose financial statements of 17th Annual Governor's Conference on Juvenile Justice for the year ended September 30, 1996, and have issued our report thereon dated March 24, 1997.

We conducted our audits in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circulars A-133, "Audits of State and Local Governments". These standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing our audit for the year ended September 30, 1996, we considered the 17th Annual Governor's Conference's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the 17th Annual Governor's Conference's general purpose financial statements and to report on the internal control structure in accordance with OMB Circular A-133. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to Federal financial assistance programs. We have addressed internal control structure policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated March 24, 1997.

The Management of 17th Annual Governor's Conference on Juvenile Justice is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles, and that Federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of noncompliance may nevertheless occur.



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO NONPROFIT
FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS

Mr. Donald Kossitto, Program Director
17th Annual Governor's Conference
on Juvenile Justice
Lake Charles, Louisiana

We have audited the general purpose financial statements of the 17th Annual Governor's Conference on Juvenile Justice as of and for the year ended September 30, 1986, and have issued our report thereon dated March 24, 1987.

In connection with our audit of the general purpose financial statements of the 17th Annual Governor's Conference on Juvenile Justice, and with our study and evaluation of the Grant's internal control structure used to administer federal financial assistance programs, as required by the Office of Management and Budget Circular A-128, "Audits of State and Local Governments", we selected certain transactions applicable to certain major federal financial assistance programs for the year ended September 30, 1986. As required by Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or disallowed requirements of federal financial assistance programs that are applicable to these transactions (eligibility was not applicable for this grant). Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the Agency's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of these procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested nothing came to our attention that caused us to believe that the 17th Annual Governor's Conference on Juvenile Justice had not complied, in all material respects, with these requirements.

This report is intended for the information of the audit committee, management, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report which is a matter of public record.

Gus Schram & Co., Ltd.

March 24, 1987

**INDEPENDENT AUDITORS' REPORT**

Mr. Ronald Rossiter, Program Director
17th Annual Governor's Conference
on Juvenile Justice
Lake Charles, Louisiana

We have audited the accompanying general purpose financial statements of the 17th Annual Governor's Conference on Juvenile Justice as of September 30, 1988, and for the year then ended, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the Grant'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 and the provisions of Office of Management and Budget Circular A-133, "Audits of State and Local Governments." These standards and OMB Circular A-133 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 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 statements 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 17th Annual Governor's Conference on Juvenile Justice as of September 30, 1988, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated March 24, 1987 on our consideration of the 17th Annual Governor's Conference on Juvenile Justice's internal control structure and a report dated March 24, 1987 on its compliance with laws and regulations.

J. Schram & Co., Ltd.

Lake Charles, Louisiana
March 24, 1989

INTERNAL CONTROL COMMENTS AND SUGGESTIONS

PRIME YEAR COMMENT:

1. Review of Supporting Documentation:

Finding: During our review of the supporting documentation for the current year's disbursements, we noted two of the disbursements' supporting documentation could be expanded to provide more useful information. The disbursements did have some documentation but it would be more useful if an explanation would accompany the receipts. For example, one receipt supported a disbursement of casual labor assistance in handing out brochures at the conference. The disbursement documentation only had the names and social security numbers on the receipt. We would recommend that, in the future, they obtain the number of hours worked, the date worked, signature of individual, etc. The second disbursement related to a cash register receipt for various supplies. We recommend that preparer of the invoice itemize the receipt as to what items were purchased. This will enable the financial officer to evaluate the reasonableness of the disbursement. A signature of the person requesting reimbursement should be obtained.

We note that the Agency has improved in the area of maintaining documentation for the expenditures and they are to be commended.

Recommendation: We recommended that the Agency review similar disbursements in the future for the items mentioned previously.

Current Status: The Agency has implemented our suggestions and we will consider this item closed for reporting purposes.

for advances and reimbursements that are applicable to the aforementioned nonmajor program. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

We noted one matter involving the internal control structure and its operation that we consider to be a reportable condition 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 judgment, could adversely affect the entity's ability to administer federal financial assistance programs in accordance with applicable laws and regulations.

1. Statement of Condition:

There is not a proper segregation of duties.

Criteria:

Proper internal controls over cash activities and general ledger functions require that these activities, as well as others, be performed by separate individuals.

Cause:

Proper segregation of duties is not possible because of the small number of people involved in the fiscal activity of the organization.

Effect:

The effect of the lack of segregation of duties is not determinable at this time.

Recommendation: Segregation of duties is not feasible at this time.

Management's Response:

No concern in the finding and recommendation.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure policies and procedures used in administering federal financial assistance would not necessarily disclose all matters in the internal control structure that might constitute reportable conditions and accordingly, would not necessarily disclose all reportable conditions that are also considered to be

material weaknesses as defined above. We consider the above reportable condition to be a material weakness as defined above. This condition was considered in determining the nature, timing, and extent of the procedures to be performed in our audit of the compliance of the 1978 Annual Governor's Conference on Juvenile Justice, with requirements applicable to its major federal financial assistance programs for the year ended September 30, 1980 and this report does not affect our report thereon dated March 24, 1981.

This report is intended for the information of the audit committee, management, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report which is a matter of public record.

Ann Schwan, P. C., A.T.C.

March 24, 1981



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

Mr. Bernard Fosselle, Program Director
17th Annual Governor's Conference
on Juvenile Justice
Lake Charles, Louisiana

We have audited the general purpose financial statements of the 17th Annual Governor's Conference on Juvenile Justice as of and for the year ended September 30, 1988, and have issued our report thereon dated March 24, 1987.

We have applied procedures to test the 17th Annual Governor's Conference on Juvenile Justice's compliance with the following requirements applicable to each of its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended September 30, 1984:

- Political Activity
- Civil Rights
- Cash Management
- Federal Financial Reports
- Allowable Costs/Cost Principles
- Drug-Free Workplace
- Administrative Requirements

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's Compliance Supplement for Single Audits of State and Local Governments. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on 17th Annual Governor's Conference's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the first paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the 17th Annual Governor's Conference on Juvenile Justice had not complied, in all material respects, with those requirements.

This report is intended for the information of the audit committee, management, and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report which is a matter of public record.

GLS Schram & Co., Ltd.

March 24, 1987



**INDEPENDENT AUDITORS' REPORT ON
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**

Mr. Ronald Rossitto, Program Director
17th Annual Governor's Conference
on Juvenile Justice
Lake Charles, Louisiana

We have audited the general purpose financial statements of the 17th Annual Governor's Conference on Juvenile Justice as of and for the year ended September 30, 1996, and have issued our report thereon dated March 24, 1997. These general purpose financial statements are the responsibility of the 17th Annual Governor's Conference on Juvenile Justice 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 and the provisions of Office of Management and Budget Circular A-133, "Audits of State and Local Government". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the 17th Annual Governor's Conference on Juvenile Justice taken as a whole. The accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Gus Schram A.C.A., CPA

March 24, 1997



17th ANNUAL GOVERNOR'S CONFERENCE ON JUVENILE JUSTICE
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 1990

<u>Federal Grants/Pass Through Agreements/Program Title</u>	<u>Federal CFDA Number</u>	<u>Revenues</u>	<u>Expenditures</u>
<u>Juvenile Justice and Delinquency Prevention</u>			
<u>Passed through the Louisiana Commission on Law Enforcement and Administration of Criminal Justice:</u>			
17th Annual Governor's Conference on Juvenile Justice (Repayment 894-38-22-0001)	18.540	<u>\$ 25,888</u>	<u>\$ 35,000</u>



17th ANNUAL GOVERNOR'S CONFERENCE ON JUVENILE JUSTICE
SCHEDULE OF CURRENT YEAR AND PRIOR YEAR
FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDING SEPTEMBER 30, 1996

CURRENT AND PRIOR YEAR FINDINGS AND QUESTIONED COSTS:

No questioned costs were noted during the current or prior year audits.



GUS SCHRAM & CO., Ltd.

INCORPORATED COMPANY
Certified Public Accountants

Business Consultants

To the Board of Directors
17th Annual Governor's Conference on Juvenile Justice

In planning and performing our audit of the general purpose financial statements of the 16th Annual Governor's Conference on Juvenile Justice for the year ended September 30, 1996 we considered the Agency's internal control structure to determine our audit procedures for the purpose of expressing an opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

However, during our audit we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding these matters. This letter does not affect our report dated March 24, 1997 on the general purpose financial statements of the 17th Annual Governor's Conference on Juvenile Justice.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various Agency grant officials, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. A copy of this letter will be provided to the Legislative Auditor.

G. Schram C.P.A., Ltd.

March 24, 1997

INTERNAL CONTROL COMMENTS AND SUGGESTIONS

CURRENT YEAR COMMENTS:

1. Preparation of Required Tax Forms:

Finding: During the current year, we noted that one transaction for clerical services exceeded \$499 and no Form 1099 was filed. We do note that the Agency has improved their documentation requirements for this type of disbursement.

Criteria: The Internal Revenue Service (IRS) requires that Form 1099-MISC (Payment of Recipients of Miscellaneous Income) be filed to report any payments of \$499 or more made to people who are not employees of the Agency.

Cause: The Agency overlooked this one disbursement when reviewing the need for the preparation of Forms 1099.

Effect: The Agency did not fully comply with this IRS requirement.

Recommendation: We recommend that the Agency continue to monitor this requirement and consider the need to file the referenced 1099 form.

2. Preparation of Budget Amendments:

Finding: During the current year, the Agency exceeded its budgeted expenditures by more than five percent. There was no amendment to the budget prepared.

Criteria: State law requires that any unfavorable revenue or expenditure variance that exceeds five percent of the budget be amended.

Cause: The Agency has had favorable revenue variances over the past two years that have exceeded the amount by which the 1995-1996 expenditures exceeded the budget, thus an amendment was not required.

Effect: The Agency did not fully comply with the specific requirements of the state budget law.

Recommendation: We recommend that the Agency review their budget each year and consider the need to amend the budget, given their interpretation of the state law.



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH LAWS AND REGULATIONS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Mr. Ronald Bennett, Program Director
17th Annual Governor's Conference
on Juvenile Justice
Lake Charles, Louisiana

We have audited the general purpose financial statements of 17th Annual Governor's Conference on Juvenile Justice as of and for the year ended September 30, 1997, and have issued our report thereon dated March 24, 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 and the provisions of Office of Management and Budget Circular A-133, "Audits of State and Local Governments." These standards and OMB Circular A-133 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 17th Annual Governor's Conference on Juvenile Justice is the responsibility of the Grant's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of 17th Annual Governor's Conference on Juvenile Justice's compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective of our audit of the general purpose financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under GOVERNMENT AUDITING STANDARDS.

We noted two immaterial instances of noncompliance that we have reported to the management of the 17th Annual Governor's Conference on Juvenile Justice in a separate letter dated March 24, 1997.

This report is intended for the information of the audit committee, management, and the legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report which is a matter of public record.

Gus Schram & Co., Ltd.

March 24, 1997

and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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

Accession Controls

Cash and Cash Equivalents
Revenue/Receipts
Purchases/Disbursements

General Administrative Controls

Political Activity
Civil Rights
Cash Management
Federal Financial Reports
Allowable Costs/Cost Principles
Drug-free Workplace
Administrative Requirements

Specific Administrative Controls

Types of Services Allowed or Not Allowed
Special Reporting

Claims for Allowances and Reimbursements

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

During the year ended September 30, 1998, the Agency had no major federal financial assistance programs and expended 100% of its total federal financial assistance under the following nonmajor federal financial assistance programs: 17th Annual Governors Conference on Juvenile Justice.

We performed tests of controls, as required by OMB Circular A-136, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims