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THIRTY-FIFTH JUDICIAL DISTRICT EXPENSE FUND

Coffee, Louisiana

REPORT ON FINANCIAL STATEMENTS

As of and For the Year-Ended December 31, 1968

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

Release Date 7-14-99

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June 8, 1999

INDEPENDENT AUDITORS REPORT

Honorable Allen Knize, Louisiana State District Judge
Thirty-Fifth Judicial District Court
200 Main Street, Suite 202
Coffee, Louisiana 71417

We have audited the accompanying financial statements of the Thirty-Fifth Judicial District Expense Fund as of and for the year ended December 31, 1998. These financial statements are the responsibility of Management of the Thirty-Fifth Judicial District. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. 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.

As discussed in Note 1, the financial statements present only the financial transactions of the Judicial Expense Fund, a fund administered by the Thirty-Fifth Judicial District Court, a Component Unit of the Grand Parish Police Jury.

Governmental accounting standards require disclosure of certain matters regarding the year 2000 issue. Due to the unprecedented nature of the year 2000 issue, management believes that its effects and the success of remediation efforts will not be fully determinable before the year 2000. Since the effects of the year 2000 issue and the success of remediation efforts cannot be readily determined at the present time, management has elected to omit the required disclosures from the accompanying financial statements.

In our opinion, except for the omission of disclosures regarding the year 2000 issue as discussed in the previous paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the Thirty-Fifth Judicial District Expense Fund as of December 31, 1998, and

The Honorable Allen Krake

June 8, 1998

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the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated June 8, 1998, on our consideration of the Thirty-Fifth Judicial District Expense Fund's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.



ROZIER, HARRINGTON & MCKAY
Certified Public Accountants

THIRTY-FIFTH JUDICIAL DISTRICT EXPENSE FUND
Combined Balance Sheet - All Fund Types and Account Groups
December 31, 1998

Assets

Cash	\$	25,213
Accounts Receivable		<u>8,879</u>
Total Assets	\$	<u>34,092</u>

Liabilities and Fund Equity

Liabilities:

Accounts Payable		<u>2,123</u>
Total Liabilities		<u>2,123</u>

Fund Equity:

Unreserved Fund Balance		<u>31,969</u>
Total Fund Equity		<u>31,969</u>
Total Liabilities & Fund Equity	\$	<u>34,092</u>

The accompanying notes are an integral part of these statements.

THIRTY-FIFTH JUDICIAL DISTRICT EXPENSE FUND
Statement of Revenue, Expenditures and Changes in Fund Balance - Governmental Fund Types
For the Year Ended December 31, 1998

Revenue:	
Fees and Fines	\$ 35,825
State Funds	3,176
Other	<u>4,832</u>
Total Revenue	<u>43,833</u>
Expenditures:	
Telephone	4,400
Library	6,256
Supplies	2,700
Supplemental Salaries	8,660
Seminars/Meetings & Continuing Education	14,179
Repairs & Maintenance	1,187
Professional Fees	3,782
Miscellaneous	<u>1,812</u>
Total Expenditures	<u>43,311</u>
Excess (Deficiency) of Revenue Over Expenditures	4,322
Fund Balance at Beginning of Year	<u>37,587</u>
Fund Balance at End of Year	<u>3 31,869</u>

The accompanying notes are an integral part of these statements.

THIRTY-FIFTH JUDICIAL DISTRICT EXPENSE FUND
Statement of Revenue, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 1998

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Fees and Fines	\$ 38,000	\$ 35,819	\$ (2,175)
State Funds	5,000	7,173	2,173
Other	1,000	4,610	3,610
Total Revenues	<u>44,000</u>	<u>47,602</u>	<u>3,603</u>
Expenditures:			
Telephones	4,500	4,487	3
Library	7,500	6,250	1,251
Supplies	4,000	2,793	1,208
Supplemental Salaries	12,000	8,895	3,105
Seminars, Meetings & Continuing Education	13,000	14,179	(1,179)
Repairs & Maintenance	4,000	3,197	803
Professional Fees	1,500	1,783	(283)
Miscellaneous	3,000	3,912	(912)
Capital Expenditures	7,000	-	7,000
Total Expenditures	<u>58,500</u>	<u>49,311</u>	<u>9,189</u>
Excess (Deficiency) of Revenues Over Expenditures	(14,500)	4,322	18,822
Fund Balance at Beginning of Year	<u>27,587</u>	<u>27,587</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 13,087</u>	<u>\$ 31,909</u>	<u>\$ 18,822</u>

The accompanying notes are an integral part of these statements.

THIRTY-FIFTH JUDICIAL DISTRICT EXPENSE FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION AND REPORTING ENTITY

The Thirty-Fifth Judicial District was established under the laws of the State of Louisiana for the purpose of creating a State District Court having jurisdiction over Grand Parish, Louisiana. The District receives fees and other costs which are assessed from persons participating in the judicial process. The Judicial Expense Fund was established to account for the receipt of these revenues. The revenues collected may be expended for any purpose to supplement the proper administration of the Court or the Office of the Judge.

The accompanying financial statements present only the financial transactions of the Thirty-Fifth Judicial Expense Fund, a fund administered by the Thirty-Fifth Judicial Court, which is a Component Unit of Grand Parish Police Jury. The financial statements are not intended to present financial position and results of operations for the Thirty-Fifth Judicial District Court or the Grand Parish Police Jury.

BASE OF PRESENTATION

The accompanying financial statements of the Thirty-Fifth Judicial District 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.

USE OF ESTIMATES

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

FUND ACCOUNTING

The Thirty-Fifth Judicial District Expense Fund is organized and operated on a fund basis whereby a self-balancing set of accounts is maintained that comprises its assets, liabilities, fund equity, revenues and expenditures.

BASE OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement basis applied. The Fund is accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue is recognized when it becomes both measurable and available, and expenditures are recognized when a liability has been incurred.

THIRTY-FIFTH JUDICIAL DISTRICT EXPENSE FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1998

BUDGETS

Budgets are prepared annually by the judicial staff and approved by the District Judge. Any necessary amendments are approved prior to the end of each year. Amended budgets are prepared and approved in the same manner as the initial budget.

ENCUMBRANCES

Purchase orders, contracts, & other commitments to engage in future expenditures are referred to as encumbrances. Since encumbrances do not represent liabilities or current encumbrances are not reported in the accompanying financial statements.

FIXED ASSETS

Fixed assets of the District are recorded as expenditures at the time they are purchased or constructed. As this report includes the activities of the Expense Fund only, no presentation of the general fund asset group is included here.

NOTE 2 - CASH AND CASH EQUIVALENTS

At December 31, 1998, cash and cash equivalents (book balance) totaled \$25,213. The collected bank balance of \$25,065 was fully insured by the Federal Deposit Insurance Corporation at December 31, 1998.

NOTE 3 - RECEIVABLES

Accounts receivable at year end totaled \$8,819. The entire amount is composed of Fees and Fines, and it is considered fully collectible.

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June 8, 1999

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Honorable Allen Krake
Louisiana State District Judge
Thirty-Fifth Judicial District Court
208 Main Street, Suite 202
Coffin, Louisiana 71417

We have audited the financial statements of the Thirty-Fifth Judicial District Expense Fund, as of and for the year ended December 31, 1998 and have issued our report thereon dated June 8, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Thirty-Fifth Judicial District Expense Fund's financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Thirty-Fifth Judicial District Expense Fund's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters that might be material weaknesses.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.



ROGER, HARRINGTON & MCKAY
Certified Public Accountants

**THIRTY-FIFTH JUDICIAL EXPENSE FUND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 1998**

We have audited the financial statements of the Thirty-Fifth Judicial District Expense Fund as of and for the year ended December 31, 1998, and have issued our report thereon dated June 8, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 1998, resulted in a qualified opinion.

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control:

Material Weakness No

Reportable Conditions No

Compliance:

Compliance Material to the Financial Statements No

b. Federal Awards:

Not Applicable

c. Identification of Major Programs

Not Applicable

Section II Financial Statement Findings

Not Applicable

Section III Federal Award Findings and Questioned Costs

Not Applicable

**THIRTY-FIFTH JUDICIAL DISTRICT EXPENSE FUND
MANAGEMENTS CORRECTIVE ACTION PLAN
For the Year Ended December 31, 1998**

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
N/A – No findings of this nature were reported.	Response – N/A
SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
N/A – No findings of this nature were reported.	Response – N/A
SECTION III MANAGEMENT LETTER	
N/A – No findings of this nature were reported.	Response – N/A

**THIRTY-FIFTH JUDICIAL DISTRICT EXPENSE FUND
 SCHEDULE OF PRIOR YEAR FINDINGS
 For the Year Ended December 31, 1998**

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENT	
1997 - 1 (Public Bid Law) A purchase in excess of the \$7,500 limit was made without the required telephone quotes.	Resolved - Management has complied with the public bid law.
SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
The District did not receive or expend any Federal dollars during the period ended December 31, 1997	Not Applicable
SECTION III - MANAGEMENT LETTER	
There was no management letter issued with the prior year report.	Not Applicable