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***SEVENTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD***

LAFOURCHE PARISH, LOUISIANA

***FINANCIAL REPORT AND
COMPLIANCE REPORT***

***AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 1997***

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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.

JOB # 3 1238

Release Date _____



***SEVENTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD***

LAFOURCHE PARISH, LOUISIANA

***FINANCIAL REPORT AND
COMPLIANCE REPORT***

***AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 1997***



**SEVENTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD**

LAFAYETTE PARISH, LOUISIANA

*General Purpose Financial Statements
As of and for the Year Ended December 31, 1997*

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FINANCIAL SECTION





STAGNI & COMPANY, LLC

Members of the Board

Seventeenth Judicial District Indigent Defender Board
Lafourche Parish, Louisiana

We have compiled the accompanying general-purpose financial statements as identified in the table of contents of the Seventeenth Judicial District Indigent Defender Board, Lafourche Parish, Louisiana, as of and for year the ended December 31, 1997, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management of the Seventeenth Judicial District Indigent Defender Board, Lafourche Parish, Louisiana. We have not audited or reviewed the accompanying general purpose financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the Louisiana Government's Audit Guide and the provisions of state law, we have issued a report dated April 14, 1998, on the results of our agreed-upon procedures.

Stagni & Company

Thibodaux, Louisiana
April 14, 1998

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**Seventeenth Judicial District Indigent Defender Board
Lafourche Parish, Louisiana**

Continued Balance Sheet - All Fund Types and Account Groups
December 31, 1997

	<u>Governmental Fund</u>	<u>Account Group</u>	<u>Total</u>
	<u>General Fund</u>	<u>General Fund Assets</u>	<u>(Memorandum Only)</u>
ASSETS AND OTHER DEBITS			
<i>Assets:</i>			
Cash and cash equivalents	\$ 134,126		\$ 134,126
Due from other governments:			
Lafourche Parish Sheriff	15,000		15,000
City Court of Thibodaux	2,070		2,070
Lafourche Parish District Attorney	301		301
<i>Flood Assets:</i>		\$ 88,019	88,019
TOTAL ASSETS AND OTHER DEBITS	\$ 151,507	\$ 88,019	\$ 240,126
EQUITY, AND OTHER CREDITS			
<i>Equity and other credits:</i>			
Investment in general fixed assets		\$ 88,019	\$ 88,019
Fund balances - unreserved, undesignated	\$ 151,507		151,507
	\$ 151,507	\$ 88,019	\$ 240,126

See accountant's compilation report and notes to financial statements

**Southeastern Judicial District Indigent Defender Board
Lafayette Parish, Louisiana**

**Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual—General Fund
For the Year Ended December 31, 1997**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Court cost on fees and forfeitures	3208,000	3114,293	(93,707)
Grant income	40,000	55,281	15,281
BAFSA/BAF	10,000	6,576	(3,424)
Miscellaneous income	3,911	3,783	(128)
Total revenues	<u>3264,911</u>	<u>3290,933</u>	<u>26,022</u>
EXPENDITURES			
Current			
Salaries and related benefits	100,470	103,738	3,268
Paralel attorneys	20,250	20,508	258
Rent	5,252	5,184	(68)
Legal and accounting	2,880	3,200	320
Insurance	7,584	7,880	296
Office supplies	11,417	10,974	(443)
Repairs and maintenance	1,588	808	(780)
Utilities	488	372	(116)
Advertising	750	1,908	1,158
Dues and subscriptions	1,000	1,437	437
Investigator expense	1,588	347	(1,241)
Travel, conventions, and training	1,000	3,708	2,708
Rent	5,400	5,400	-
Telephone	3,000	2,800	(200)
Miscellaneous	4,000	30	(3,970)
Total current expenditures	<u>189,070</u>	<u>192,336</u>	<u>3,266</u>
Capital Outlay	31,000	14,732	(16,268)
Total expenditures	<u>220,070</u>	<u>207,068</u>	<u>13,002</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>19,000</u>	<u>12,219</u>	<u>6,781</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>158,750</u>	<u>158,750</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>177,750</u>	<u>170,969</u>	<u>(6,781)</u>

See accountant's completion report and notes to financial statements

**SEVENTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
LAFOURCHE PARISH, LOUISIANA**

Notes to the Financial Statements

INTRODUCTION

The Seventeenth Judicial District Indigent Defender Board (the Board), Lafourche Parish, Louisiana is established in compliance with Louisiana Revised Statutes 15:144-149. Its purpose is to provide and compensate counsel appointed to represent indigents in criminal and quasi-criminal cases before the Seventeenth Judicial District Courts and the City Court of Thibodaux. The judicial district encompasses the Parish of Lafourche. There are five members of the Board appointed by the Judges of the district. None of the board members are compensated. Revenues to finance the Board's operations are provided primarily from court cost, fines and forfeitures of bonds imposed by the courts. In the year ended December 31, 1997, 2,181 cases were opened. As December 31, 1997, the Board employed nine employees who include the chief indigent defender, four assistant indigent defenders, an office manager, one secretary, and an investigator.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of presentation

The accompanying general-purpose financial statements of the Seventeenth Judicial District Indigent Defender Board, Lafourche Parish, Louisiana 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

Governmental Accounting Standards Board Statement No. 14 "The Financial Reporting Entity", sets forth the standards for defining and presenting the reporting entity in financial statements. To fairly present the financial position and results of operations of the financial reporting entity, a government must determine whether its reporting entity consists of only the legal entity known as the "primary government" or one or more organizations called "component units."

**SEVENTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
LAFAYETTE PARISH, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

II. Reporting entity (Continued)

According to GASBS No. 14, the Seventeenth Judicial District Indigent Defender Board, Lafayette Parish, Louisiana is considered a primary government defined as any state government or general purpose local government or a special purpose government that meets all of the following criteria:

- 1) It has a separately elected governing body;
- 2) It is legally separate;
- 3) It is fiscally independent of other state and local governments.

Inclusion of a "potential component unit" in the primary government's reporting entity depends on whether the primary government is financially accountable for the potential component unit. The key criteria for deciding financial accountability are any one of the following:

- a. Fiscal dependency of the potential component unit on the primary government, or
- b. The primary government appoints a voting majority of the potential component unit's governing body and:
 1. the primary government can impose its will on the potential component unit and/or
 2. a financial benefit/burden relationship exists between the primary government and the potential component unit; or
- c. The primary government's financial statements would be misleading or incomplete if the potential component unit were excluded.

**SEVENTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
LAFOURCHE PARISH, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Reporting entity (Continued)

The Seventeenth Judicial District Indigent Defender Board includes all funds, account groups and activities, et cetera, that are within the oversight responsibility of the Seventeenth Judicial District. Other local governments over which the Seventeenth Judicial District Indigent Defender Board exercises no oversight responsibility are excluded from the accompanying financial statements. These units are considered separate reporting entities and issue financial statements separate from those of the Board.

C. Fund accounting

The board uses funds and account groups to report on 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 related to certain governmental functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

D. Basis of accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is 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. The operating - interest periods increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures:

**SEVENTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
LAFOURCHE PARISH, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of accounting (Continued)

Revenues – Court cost fees and forfeitures revenue is recognized when they are collected by the parish or collector, district attorney, or the city, and are therefore available to pay current expenditures. The grant revenue is recognized when available to pay current expenditures because it is a general grant from the Louisiana Indigent Defender Board and is not dependent on specific expenditures. All other revenue is recognized when received.

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

E. Budgets

A budget committee was formed during the current fiscal year which prepared a balanced operating budget that was then ratified by the full Board in a special meeting on March 4, 1997. The budget may be amended during the year as conditions dictate so long as it remains in balance. One-half of prior year's appropriation automatically renews each year without any formal Board approval.

F. Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods and services. The board does not use encumbrance accounting.

G. Cash

Cash includes amounts in interest-bearing demand deposits. Under state law, the board may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under laws of the United States.

**SEVENTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
LAFORCEVILLE PARISH, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Prepaid items

The board does not record prepaid items. Prepaid items are recorded as expenditures when cash is paid.

I. Fixed assets

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets purchased after December 31, 1991 are valued at historical costs. Fixed assets purchased prior to January 1, 1992 are valued at historical cost or estimated cost if historical cost was not available.

J. Compensated absence

Employees of the board receive five (5) to twenty (20) working days of sick leave depending on their years of service and two (2) weeks of vacation leave each year after the employee has been employed for a period of twelve months. Unused leave may not be accumulated and is not paid upon termination or retirement; therefore, at December 31, 1997, there are no leave benefits that are required to be reported in accordance with GASB Codification 68 or GASB Statement No. 16.

K. Long-term obligations

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group.

**SEVENTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
LAFAYETTE PARISH, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Total columns on statement

The total columns on the statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidated financial statement. Interfund eliminations have not been made in aggregation of this data.

NOTE 2 CASH AND CASH EQUIVALENTS

At December 31, 1997, the board has cash and cash equivalents totaling \$134,136, as follows:

Hibernia interest-bearing checking account	\$ 12,590
Hibernia money market account	59,131
First American Bank money market account	<u>62,413</u>
Total	<u>\$134,136</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance as the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities must be held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 1997, the board has \$134,136 in deposits (collected bank balances). These deposits are secured from risk 100% by federal deposit insurance.

NOTE 3 DUE FROM OTHER GOVERNMENTS

The balance due from other governments at December 31, 1997 of \$17,371 is for court cost, fines & forfeitures due from other governmental entities.

**SEVENTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
LAFOURCHE PARISH, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Furniture, Equipment, And Library
Balance at December 31, 1996	\$ 75,287
Additions	14,732
Deductions	<u>0</u>
Balance at December 31, 1997	<u>\$ 90,019</u>

NOTE 5 PENSION PLAN

Plan Description. Substantially all employees of the Seventeenth Judicial District Indigent Defender Board are members of the Parochial Employees Retirement System of Louisiana (the System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. At December 31, 1997, all employees of the board were members of Plan B.

All permanent employees working at least 28 hours per week whom are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan B, employees who retire at or after age 62 with at least 10 years of creditable service or at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 per cent of their final-average salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3 percent for each year retirement precedes age 62. In any case, monthly retirement benefits paid under Plan B cannot exceed the lesser of 100 percent of final-average salary of \$78 multiplied by total years of creditable service. Final-average salary is the employer's average salary over the 36 consecutive or joint years that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit.

**SEVENTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
LAFOURCHE PARISH, LOUISIANA**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 5 ENSION PLAN (Continued)

accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employee's Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (334) 928-1261.

Funding Policy. Under Plan B, members are required by state statute to contribute 2.0 percent of their annual covered salary in excess of \$1,200 and the board is required to contribute at an actuarially determined rate. The current rate is 2.5 percent of the annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the board are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actual valuations and are subject to change each year based on the results of the valuation for the prior fiscal year. The board's contributions to the System under Plan B for the years ending December 31, 1997, 1996, and 1995, were \$3,094 (3.05%), \$2,090 (1%), and \$1,825 (1%), respectively, equal to the required contributions for each year.

NOTE 6 OTHER POSTEMPLOYMENT BENEFITS

The Board provides no other post-employment benefits.

NOTE 7 LEASES

The board had no capital leases to be recorded as assets and obligations in the accompanying financial statements.

*SEVENTEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
LAFOURCHE PARISH, LOUISIANA*

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 8 CHANGES IN GENERAL LONG TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions during the year:

	Composited Amounts
Long-term obligations at December 31, 1996	(\$ 287)
Additions	0
Deductions	(2,807)
Long-term obligations at December 31, 1997	<u>\$ 0</u>

NOTE 9 LITIGATION AND CLAIMS

At December 31, 1997, the board is involved in litigation, however the chances of unfavorable outcome are negligible.

COMPLIANCE SECTION





STAGNI & COMPANY, LLC

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Members of the Board
Seventeenth Judicial District Indigent Defender Board
Lafourche Parish, Louisiana
Thibodaux, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and summarized below, which were agreed to by the management of Seventeenth Judicial District Indigent Defender Board, (the Board), Lafourche Parish, Louisiana, and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Seventeenth Judicial District Indigent Defender Board, Lafourche Parish, Louisiana's compliance with certain laws and regulations during the year ended December 31, 1997, included in the accompanying *Louisiana Auditor's Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2257 (the public bid law).

The Board had no expenditures during the year for materials and supplies exceeding \$15,000, or public works exceeding \$100,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 40:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.



3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (2) were also included on the listing obtained from management in agreed-upon procedure (3) as immediate family members.

None of the employees included in the list of employees provided by management (agreed-upon procedure (3)) appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of the meeting held on March 4, 1990 which indicated that the budget had been adopted by the board of the Seventeenth Judicial District Indigent Defender Board, Lafourche Parish, Louisiana by unanimous vote. No amendments were made to the budget during the year.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 3% or more or if actual expenditures exceeded budgeted amounts by 3% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues and expenditures did not exceed budgeted amounts by more than 3%.

Accounting and Reporting

7. Randomly select 6 disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee.

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account, and

We found that all six selected disbursements were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated each was approved by the proper authorities.

Meetings

8. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

The Board provided evidence indicating that agendas for meetings were posted or advertised as required.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of bank deposit slips from January 1, 1997 to December 31, 1997 and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.



Members of the Board
Seventeenth Judicial District Indigent Defender Board
Page 4

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made which may constitute bonuses, advances, or gifts.

A reading of the minutes of the Board for the year indicated no approval for payments noted above. We also examined payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

Our prior year report, dated June 27, 1997, did include a comment that the budget had not been adopted; however, this year this matter was resolved by the board adopting the budget.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management, the Members of Seventeenth Judicial District Indigent Defender Board, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, under state law, this report is a matter of public record and its distribution is not limited.

Staggs & Company

Thibodaux, Louisiana
April 14, 1998

