

This report is intended for the information of the Board, the State of Louisiana and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Bouygues Bennett, LLC.

Certified Public Accountants

New Orleans, La.,
June 6, 1997.

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Financial Report

Thirty-Fourth Judicial District
Indigent Defender Board

December 31, 1996

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

Release Date: 01/16/97 16:00

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) General Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. The Account Group is not a fund. It is concerned only with the measurement of financial position.

It is not involved with the measurement of results of operations. No depreciation has been provided on general fixed assets.

g) Vacation and Sick Leave

The Board has no employees.

h) Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in the fund general ledgers, is not utilized by the Board.

i) Total Column on General Purpose Statements - Overview

The total column on the general purpose statements - overview is captioned memorandum only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations, in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) **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 relates to the timing of the measurements made, regardless of the measurement focus applied.

The Governmental Fund is accounted for using the modified accrual basis of accounting. Its revenues are recognized when they become measurable and available as net current assets. Court costs on fines and forfeitures imposed by the Board and city courts and Act 834 bond premium fees are recorded in the year they are collected by the tax collector. Interest income on investments is recorded as revenue when the investments have matured and the income is available. Miscellaneous revenues are recorded as revenues when received in cash by the Board because they are generally not measurable until actually received.

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

d) **Operating Budgetary Data**

The Board did not adopt, nor was required to adopt, a budget for the General Fund for the years ended December 31, 1996 and 1995. Therefore, the accompanying general purpose financial statements do not include a comparison of revenues and expenditures to budget.

e) **Bad Debt**

The general purpose financial statements for the Board contain no allowance for bad debts. Uncollectible amounts due for receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations for the fund.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b) Fund Accounting

The Board uses a fund 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 relating to certain government functions or activities.

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

Governmental Funds

Governmental Funds are those through which most governmental functions of the Board are financed. The acquisition, use and balances of the Board's expendable financial resources and the related liabilities are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following is the Governmental Fund of the District:

General Fund

The General Fund is the general operating fund of the Board. It is used to account for all financial resources and expenditures of the Board except those that are required to be accounted for in another fund.

Account Groups

An account group is used to establish accounting control and accountability. The Board's account group is as follows:

General Fixed Assets Account Group

This account group is used to account for all general fixed assets of the Board.

NOTES TO FINANCIAL STATEMENTS

Thirty-Fourth Judicial District
Indigent Defender Board

December 31, 1996 and 1995

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Thirty-Fourth Judicial District Indigent Defender Board, established in compliance with Louisiana Revised Statutes 15:144-149, provides counsel to represent indigents (nearly individuals) in criminal and quasi-criminal cases at the district court level. The judicial district encompasses St. Bernard Parish, Louisiana. The Board is composed of 3 members who are appointed by the district court. The Board members serve without compensation. Revenues to finance the Board's operations are provided primarily from grants from the State of Louisiana Judicial Branch and court costs on fines imposed by the various courts within the district.

The accounting policies of the Thirty-Fourth Judicial District Indigent Defender Board (the Board) conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of significant accounting policies:

a) Reporting Entity

For financial reporting purposes, the Board is a part of the district court system of the State of Louisiana. However, the state statutes that create the Boards also give each of the Boards control over all their operations. This includes the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. The Board is financially independent and operates autonomously from the State of Louisiana and independently from the district court system. Therefore, the Board reports as an independent reporting entity, and the general purpose financial statements include only the transactions of the Thirty-Fourth Judicial District Indigent Defender Board.

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - GENERAL FUND**

**Thirty-Fourth Judicial District
Indigent Defender Board**

For the Years Ended December 31, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Revenues		
Client fees:		
Louisiana Indigent Defender Board	\$ 81,692	\$ 185,778
Service fees:		
St. Bernard Parish Sheriff	69,888	182,268
Office of the 34th Judicial District District Attorney	25,453	38,585
Use of money and property - interest earnings	<u>2,329</u>	<u>4,400</u>
Total revenues	<u>176,580</u>	<u>351,415</u>
Expenditures		
Supplies and materials	3,608	4,233
Other services and charges:		
Contractual services	147,634	116,634
Professional services	5,884	3,688
Capital expenditures	<u>2,404</u>	<u>4,068</u>
Total expenditures	<u>158,840</u>	<u>128,506</u>
Excess of Revenues Over Expenditures	18,540	122,909
Fund Balance:		
Beginning of year	<u>157,351</u>	<u>34,442</u>
End of year	<u>\$ 175,891</u>	<u>\$ 157,351</u>

See notes to financial statements.

BALANCE SHEETS - GENERAL FUND AND ACCOUNT GROUP

Thirty-Fourth Judicial District
Indigent Defender Board

December 31, 1996 and 1995

	1996		1995		Total (Memberships Only)	Governmental Fund Type General	1995 Account Group Food Assets	Total (Memberships Only)
	Governmental Fund Type General	Account Group General Food Assets	Governmental Fund Type General	Account Group Food Assets				
Assets								
Cash	\$ 154,313		\$ 122,858		\$ 154,313		\$ 122,858	
Due from governmental units	21,578		47,118		31,578		47,118	
Fund assets		\$ 6,413		\$ 4,809	\$ 6,413		\$ 4,809	
Total assets	\$ 175,891	\$ 6,413	\$ 170,004	\$ 4,809	\$ 187,304		\$ 174,812	
Liabilities								
Accounts payable			\$ 1,883				\$ 1,883	
Contractual services payable			30,850				16,858	
Total liabilities			32,733				17,741	
Fund Equity and Other Credits								
Investments in general fund assets		\$ 6,413		\$ 4,813	\$ 6,413		\$ 4,809	
Fund balances - measured	\$ 175,891		137,231		175,891		137,231	
Total fund equity and other credits	175,891	6,413	137,231	4,809	182,304		141,940	
Total liabilities, fund equity and other credits	\$ 175,891	\$ 6,413	\$ 170,004	\$ 4,809	\$ 187,304		\$ 174,812	

See notes to financial statements.



Bourgeois Bennett

INDEPENDENT AUDITOR'S REPORT

To the Indigent Defender Board of the
Thirty-Fourth Judicial District,
Chalmette, Louisiana.

We have audited the accompanying general purpose financial statements of the Thirty-Fourth Judicial District Indigent Defender Board (the Board), State of Louisiana, as of and for the years ended December 31, 1996 and 1995, as listed in the table of contents. These general purpose financial statements are the responsibility of the Board. Our responsibility is to express an opinion on these general purpose financial statements based on our audits.

We conducted our audits 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 audits 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 general purpose financial statement presentation. We believe that our audits provide 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 Thirty-Fourth Judicial District Indigent Defender Board as of December 31, 1996 and 1995, and the results of its operations for the years then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated on our consideration of Thirty-Fourth Judicial District Indigent Defender Board's internal control structure and a report dated June 6, 1997 on its compliance with laws and regulations.

Bourgeois Bennett, L.L.C.

Certified Public Accountants

New Orleans, La.,
June 6, 1997.

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Thirty-Fourth Judicial District Indigent Defender Board

December 31, 1996 and 1995

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State of Louisiana

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

To the Indigent Defender Board of the
Thirty-Fourth Judicial District,
Chalmette, Louisiana.

We have audited the general purpose financial statements of the Thirty-Fourth Judicial District Indigent Defender Board (the Board), as of and for the years ended December 31, 1996 and 1995, and have issued our report thereon dated June 6, 1997.

We conducted our audits 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 audits to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations and contracts applicable to the Board is the responsibility of the Board's management. As part of obtaining reasonable assurance above whether the general purpose financial statements are free of material misstatement, we performed tests of the Board's compliance with certain provisions of laws, regulations and contracts. However, our objective 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 herein under Government Auditing Standards.

Note 2 - CASH

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States, certificates of deposit of state or national banks having their principal office in Louisiana or any other federally insured investment.

State law also requires that deposits of all political subdivisions be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and of securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision. The Board's cash at December 31, 1996 and 1995 was under collateralized by approximately \$3,700 and \$23,000, respectively.

Note 3 - DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units at December 31, 1996 and 1995 consisted of the following:

	<u>1996</u>	<u>1995</u>
St. Bernard Parish Sheriff's Office	\$10,004	\$ 8,133
Office of the District Attorney of the Thirty-Fourth Judicial District	<u>11,544</u>	<u>28,985</u>
Totals	<u>\$21,548</u>	<u>\$37,118</u>

The amount due from the St. Bernard Parish Sheriff's Office are for court costs on fines and forfeitures. The amount due from the Office of the District Attorney of the Thirty-Fourth District is for bond premium fees in accordance with Act 894 of 1993, and bond forfeiture in accordance with Act 52 of 1994.

In planning and performing our audits of the general purpose financial statements of the Board, for the year ended December 31, 1996 and 1995, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design or the relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

We noted a certain 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 financial statements.

Condition - The involvement of only one member of the Board in accounting issues precludes an adequate segregation of duties and other features of an adequate system of internal accounting control.

Recommendation - We recommend the Board consider having other Board members be involved in the system for control purposes.

Response - The Board member has neither the time nor the funds to hire personnel to assist in the accounting functions.

A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities 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.

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 believe the reportable condition described above is not a material weakness.



Bourgeois Bennett

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

To the Indigent Defender Board of the
Thirty-Fourth Judicial District,
Chalmette, Louisiana.

We have audited the general purpose financial statements of the Thirty-Fourth Judicial District Indigent Defender Board (the Board), as of and for the years ended December 31, 1996 and 1995, and have issued our report thereon dated June 6, 1997.

We conducted our audits 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 audits to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Board is responsible for establishing and maintaining an internal accounting 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 the 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 system 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.

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

Note 4 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance January 1, 1995	1995 Additions	Balance December 31, 1995	1996 Additions	Balance December 31, 1996
Equipment	\$ -	\$4,009	\$4,009	\$1,230	\$5,239
Furniture and fixtures	-	-	-	1,124	1,124
Totals	\$-	\$4,009	\$4,009	\$2,354	\$6,363

Note 5 - EXPENDITURES NOT INCLUDED IN FINANCIAL STATEMENTS

The accompanying general purpose financial statements do not include certain expenditures of the Board which are paid out of the funds of the St. Bernard Parish Government. These expenditures include the telephone and utilities of the Board. The Parish Government also provides office space to the Board.

This report is intended for the information of the Board, the State of Louisiana and the Legislative Auditor for the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

Bougeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, La.,
June 6, 1997.